

100 FAMILIES THAT CHANGED THE WORLD

Family Businesses and Industrialization



"If there is one quality that centenarian firms have in common, it is that they have known how to adapt to the many circumstances and challenges they have been faced with. Family businesses are usually managed with a long-term vision, and there can be no doubt that the companies featured in this book provide a clear example of how to achieve this."

José María Serra, chairman of Grupo Catalana Occidente

"This book is an effective tool for better understanding the managerial and industrial development of family businesses. This is undoubtedly an objective approach that allows the reader to learn about the key factors that, in each case, have been fundamental to the success of centenarian companies. Moreover, it is a work of study and analysis that reveals the best practices of each company in an effort to keep its activity going throughout the years."

Tomás Osborne, chairman of the Osborne Group

JOSEP TÀPIES • ELENA SAN ROMÁN • ÁGUEDA GIL LÓPEZ

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Josep Tàpies, Elena San Román, Águeda Gil

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Introduction

This book aims to contribute to research on family businesses and European industrialization. We believe that through the study and analysis of the historical development of family businesses we can better understand the phenomenon of industrialization. We hope to introduce a work method that will allow for effective collaboration between economic historians and management scholars. Hence, we have briefly compiled a history of 100 long-standing European and U.S. companies. Their stories help us explore the centuries in which Europe led the international economy. Watching the trajectory of said businesses as a whole will not only help us deepen our knowledge of industrialization, but also gain insight into the role family businesses have played in such a complex process and how they have been able to adapt under continuous change. All the companies studied in this book are currently active, which refutes the notion that family businesses are a thing of the past. Additionally, in most cases they are sizeable enough to set them apart from a pattern limited to only the first wave of industrialization. The time frame chosen when selecting businesses was restricted to currently active companies founded between the 18th century and 1913. The 1913 cutoff ensures a minimum life span of 100 years.

The list of featured companies is by no means exhaustive. As the adage states, however, a journey of a thousand miles begins with a single step. We therefore provide the proverbial first step and take a look at European industrialization from a family business point of view. The aim is to gain a better understanding of both realities and how they interact, as well as to grasp the transformation many family businesses have undergone to adapt to changes brought forth by industrialization.

Objectives and Structure of the Book

This book gathers together the stories of 100 companies organized by country and, within each section, by seniority.¹

The epilogue outlines some of the reflections that arise from reading these stories as suggested in this introduction. The actual novelty is, however, that what the reader will find in these pages are the very lessons on how said 100 companies managed to survive for more than a century. We hope that many of these “lessons from history” are applicable to our readers’ businesses in the present day.

Students at business schools are considered to be a key component of their own individual training process, which is developed through discussion via the case method. Likewise, we have considered our readers to be a key component in the learning opportunities offered by these 100 stories. While in most books written by academics the authors offer their conclusions systematically and defend them with examples, our aim is, rather, the opposite: to present the 100 company histories, brimming with wisdom on their own, and allow readers to draw their own conclusions.

When Europe Was Bigger Than Asia

With the discovery of America, Europe experienced an upward swing in the international economy that was inversely proportional to the downward trajectory of Asia. At the end of the 18th century, a decisive event spurred on that growth trajectory: industrialization. Coming up with a definition that encompasses all aspects of such a complex phenomenon is not an easy task. It could be understood as a process of gradual and irreversible change accompanied by a significant and sustained acceleration of economic

¹ The structure of the book reflects the one of the original version in Spanish. For this reason, the countries are organized according to the Spanish alphabetical order.

growth and profound changes in technology, the economic structure and institutions. The economy, which was agriculturally based until that point, changed its composition: the secondary sector took on a predominant role and the tertiary sector rose, while the primary sector reduced its contribution in relation to global production.

Technical innovation played a significant role in this monumental transformation of the Western world. The change, however, spread far beyond new technology alone: society and the institutions that comprise it underwent radical change as well (Comín, 2011: p. 253). Production of manufactured goods – which until then was compatible, in many cases, with labor in the fields and was intended for nearby markets – became specialized and was relocated to the urban domain. And thus came the emergence of factories and workers. It changed the lives of many people, their customs, their habits and how they understood the world. Markets got bigger and, with the creation of new institutions, the birth of a new era was shaped.

Chart 1: Estimate of continents' contribution to world GDP (in percentages).



Notes and source: Based on data compiled from Maddison (2006).

Table 1: Estimates of continents' share of world population and GDP (in percentages).

	Europe		Asia		North America		Latin America		Africa		Oceania	
	GDP	P*	GDP	P*	GDP	P*	GDP	P*	GDP	P*	GDP	P*
1500	24.0	20.7	64.9	63.6								
1600	26.2	20.6	65.3	67.3								
1700	29.6	21.7	61.6	65.7	0.2	0.2						
1820	32.6	22.1	58.9	67.7	1.9	1.0	2.1	2.1	4.4	7.1	0.0	0.0
1870	45.5	26.2	38.0	59.9	9.3	3.4	2.5	3.2	4.0	7.1	0.6	0.2
1900	47.5	27.5	28.1	56.0	16.5	5.2	3.6	4.1	3.3	7.0	0.9	0.3
1913	46.7	27.9	24.9	54.4	20.1	5.9	4.4	4.5	2.9	6.9	1.1	0.3
1950	39.2	22.7	18.5	54.7	29.2	6.6	7.8	6.6	3.8	9.1	1.5	0.4
1974	38.5	18.1	24.1	57.5	23.5	5.9	9.0	7.9	3.6	10.1	1.3	0.4
1989	32.8	15.2	30.8	58.9	23.4	5.3	8.4	8.4	3.4	11.9	1.3	0.4
2001	25.9	13.1	37.9	59.4	23.3	5.1	8.3	8.6	3.3	13.4	1.3	0.4

Notes and source: P* = population; based on data compiled from Maddison (2006).

One hundred years after this powerful phenomenon began, Europe caught up with Asia. According to the estimates of Angus Maddison (2006), in 1870 Europe contributed 45.5% to the global GDP, compared with the 38% supplied by Asia. It was seven percentage points ahead for the first time since records are available or can be extrapolated. Industrialization propelled a continent representing around 7% of the Earth's surface and less than one-third of the global population to the point of beating gigantic Asia, with an extension close to a third of the globe and almost two-thirds of the world's population.

It is thus worth asking the interesting and much-debated question of why industrialization was a European phenomenon. Among the numerous explanations available, an extraordinarily thought-provoking one is that of Vera Zamagni (2011), who, much like Pomeranz (2001) and Findlay and O'Rourke (2007), points out that it was in Europe where civilization had cultivated the highest degree of individual freedoms in the centuries prior to the great change. The decisive role of geopolitical variables, Christianity as a key socio-cultural element, and essential Western institutions would thus explain what natural resources and the internal market could not justify on their own.

Industrialization began in one of the smallest and most geographically removed regions of Europe, Great Britain, thereby demonstrating that it was a process nourished not just by climate or material resources; Great Britain's leading role cannot be explained by a relative abundance of mineral coal and water alone. As stated by Mokyr (1993), this was a complex, multifactor process brought about by the interaction of many elements rather than a few independent causes. Amongst said factors, institutions were obviously key. The United Kingdom was apparently the country that most quickly gathered together the largest number of institutional factors capable of driving the change: property rights supported by a stable legal system, a functioning financial system, the existence of insurance, a stock market, etc.

This magnificent structural change in the economy spread far and wide from British soil towards the rest of Europe and, eventually, to the United States. Following Great Britain's example, small countries such as Belgium, and nations with no noteworthy supply of natural resources such as Switzerland, also followed suit. Big countries, including France and Germany, became industrialized and the ripple effect reached, albeit somewhat lessened, other countries on the periphery, such as Italy and Spain. Japan, the first Asian country to undergo industrialization, did not experience this phenomenon until the end of the 19th century. The rest of the continent would still have to wait to turn the tables on global scale manufacturing – Asia would not regain its economic primacy until much later.

Researching Success

Considering what has been exposed so far, it is easy to understand why Europeans fixate on industrialization. It was one of the brightest ages in the economic history of Europe and one of the most studied. Research on it has been addressed within a vast array of fields. Historians have pondered its causes, its determining factors and its political, economic and social effects. Industrialization has been analyzed from both a sectorial viewpoint – particularly focused on the activities that underwent bigger transformations

– and a regional one – including the many specific cases of countries that went through such a complex process. The chronological framework established on top of said research allows us – from our current 21st century perspective – to break the process down into three industrializing waves.

The first wave, at the end of the 18th century, was led by Great Britain and linked to a number of factors, namely: coal as its new energy source, the steam engine as its flagship technology, the textile, iron and steel sectors as its key industries, as well as many other new business initiatives. These new businesses were small and medium-sized and mainly family-run, where ownership and management converged in the same person or family.

The second industrializing wave, at the end of the 19th century, occurred at the same time as the accelerated growth in Germany and the United States and the beginning of the Japanese boom. From a technological point of view, three new aspects transformed the industrial scene: (i) electricity ended industries' dependence on coal and freed it from having to be located near a mine or port for better access; (ii) the internal combustion engine opened the doors to a true revolution, with the emergence of cars and planes and the automation of numerous processes; and (iii) the development of modern chemistry gave rise to the discovery of a myriad of new materials and products, including artificial fertilizers and the first plastics. Regarding businesses, this second wave brought with it the appearance of what Alfred Chandler (1990) defined as the modern industrial corporation, linked to the new capital-intensive sectors. Its large size allowed it to benefit from economies of scale and, in contrast with the owner-manager of the first wave, it had professional and salaried management.

Lastly, the third wave of industrialization was led by the information and communications technology revolution on the threshold of the 21st century. This last wave has changed the service sector radically by giving it a once unknown influence on the economy, and it has enabled the offshoring of many industries and activities in search of cheap labor. This change of paradigm is exactly what allowed Asia to close the chapter that began in the 18th century and reclaim its relevance in global GDP generation: in 2001 it almost reached 40% of the total, matching its 1870 levels. Its population ratio was also practically the same as it was then, whereas Europe

was facing a falling trajectory: compared with 1870 its contribution to global GDP decreased by 20% and its population ratio by 13%.

The three waves of industrialization can be understood as a process of disruptive innovation with the meaning that Christensen (1997) applied to this term to distinguish it from evolutionary or incremental innovation. The latter is the natural response to the entry of new competitors in a market characterized by a progressive improvement in product value. Logically, this gradual change was present throughout the centuries of the Industrial Revolution. Such gradual innovation tends to carry with it an increase in cost and a progressive decline in the customer's perception of increased value. However, disruptive innovation creates new needs, markets, products and services. And, as Christensen points out, disruptive innovation requires radical changes that go even beyond the customer's needs. Said disruption is what prompts the idea of industrialization as a series of waves.

Industrialization was a long-term innovation process: not only evolutionary and incremental – as value was gradually added onto products or services – but also disruptive – as new products and markets were created. For example, in the first wave, steam enabled the birth of the rail industry and, in the second, the mass production of vehicles triggered a similar phenomenon. As Henry Ford maintained, if he had asked his customers what they needed, they would have asked for faster horses.

Beyond the Buddenbrooks Effect

As we have mentioned above, one of the critical elements of industrialization was the transformation of the company. In the long preindustrial stage and during the first wave of industrialization, the vast majority of businesses were family businesses and it was not until the end of the 19th century that the modern industrial corporation (Chandler, 1990) appeared. The rise of such large industrial companies spread the misbelief that family businesses were a thing of the past: the legacy of a labor-intensive economy, sparsely – and backwardly – communicated and bound to regional markets (Colli, 2003: p. 65). It seemed that its continuation was linked to flawed markets with

underdeveloped information systems and unstable legal structures, which made the protection of property rights difficult.

This was the most prevalent vision of the family business in academia up until the 1970s. Clichés reinforcing negative perception were thrust upon this type of organization: its efficiency and profitability – as opposed to non-family businesses – were questioned and its capacity to operate in capital-intensive sectors was doubted. It also became identified with conservative attitudes involving short-sightedness, such as risk aversion and reluctance to innovate. Finally, it was considered incapable of enduring over time, citing the famous Buddenbrooks effect – manifested in family lines – which was outstandingly described by Thomas Mann. The argument was even taken to the extreme with the claim that it was unable to sustain the evolution of an industrial economy over time (Colli, 2003: pp. 10–13).

Nevertheless, reality is stubborn and, starting in the early 1980s, a series of events changed the perception of family businesses (Colli, 2003: p. 23). The restructuring process undertaken by many large corporations, the crisis and decline of public companies, especially European ones, and the unquestionable success of some economic models based on family businesses – such as the Japanese model – pushed for a reconsideration of family business theory.

Intense empirical study carried out in several countries has led to a definitive shift in the lines of interpretation: family businesses certainly played a leading role during preindustrial history and the first industrializing wave. A new, non-family based, company type emerged afterwards and was linked with growth from the end of the 19th century. None of these assumptions necessarily imply, however, that family businesses are obsolete organizations or a stage to overcome on the road to economic growth.

Numerous case studies have refuted one by one the arguments employed against family businesses. As far as this type of business is concerned, there are modern and efficient companies (Hanna, 1980: p. 52) while some others are huge and specialized in capital-intensive sectors (Gourvish, 1988: p. 34; Cassis, 1997: p. 131; Rose, 1995: pp. vix and xxi). Some are dynamic and innovative (San Román et al., 2013); others are long-standing enough to have proved they are capable of adapting to

historical changes (Tàpies, 2009) and yet some more are still full of power while based in countries with fully completed industrialization processes and efficient markets. Fernández Pérez and Colli's (2013) excellent, recently published work is a good example of this. Their book compiles a collection of papers written by family business experts. They not only shed light on the dynamics that allowed said businesses to adapt to changing historical conditions but also highlight how professionalizing management was key to making such adjustments. At the dawn of the 19th century the aforementioned changes gave birth to a new type of family business, since increased professionalization affected both family members themselves as well as the management employed. Nevertheless, family control of the business and the transmission of values that enabled the companies' creation, rise and endurance were never relinquished.

The survival of the family business – especially in Europe – as an institution that has gone well beyond a specific phase of industrialization forces us to reflect more deeply and provides plenty of scope for research (Rose, 1995: pp. xiii–xiv). In the words of Colli (2003: p. 21), “this institution maintains a considerable role and relevance in modern advanced economies” – at least enough for us to take another look at its connection with the phenomenon of industrial change.

Rethinking Industrialization From the Standpoint of the Family Business

To tackle the task proposed at the start of these pages, in choosing the 100 family businesses we have sought to maintain a balance between countries and select businesses belonging to sectors that serve us in our aim of illustrating the phenomenon of industrialization. We have therefore searched for examples of food, textile and iron and steel companies that help us consider industrialization as a gradual process that allowed humans to modernize their basic needs: eating, wearing clothes and improving their work tools. We have devoted special attention to companies involved in

traditional agricultural activities that were able to evolve from a preindustrial way of operating.

As we advanced chronologically in our small research project, we began to explore family businesses that would reflect the technological change introduced by the second wave of industrialization: chemical, electrical, construction and automobile-related businesses, among others. The fact that all of the stories come to an end in the present day has allowed us to observe how family businesses have adapted to the third wave of industrialization, with global markets and highly competitive environments.

However, the reality of business is alive and ever-changing and, as shown in these pages, family businesses are no exception.

For example, at the start of 2014 Peugeot was a family business but, while this book was being edited, it underwent changes in its shareholder structure that have turned the Peugeot family into a minority shareholder (the related chapter gets into some more detail). It cannot be ruled out, then, that a similar change might arise for any of the companies collected in the book after publication.

As far as balance amongst countries is concerned, the United Kingdom, the United States and Germany have greater specific weight for obvious reasons. We have, however, included a range of companies wide enough to cover Europe from north to south. Hence, companies from Finland, Sweden, Denmark, France, Switzerland, Italy, Portugal and, of course, Spain are also featured. The inclusion of the United States in a primarily European-centric study is explained by two reasons. Firstly, because the United States unmistakably belongs to the Anglo-Saxon sphere of influence. Secondly, because its presence highlights the fact that, despite the enormous influence of big corporations in American industrial history – as emphasized by Chandler – family businesses also played a vital role in its industrialization. It is no mere coincidence that Walmart, ranked as the top business by revenue in the United States in 2013, is a family business.

In our desire to uphold this regional balance, we have been consciously inconsistent only once and in a way we believe is excusable: we have given Spain a far greater role than its industrial achievements prior to World War I deserve. There exist two reasons at the root of such overt inconsistency:

firstly, we could not miss the opportunity to raise awareness of our own history – and, therefore, what we know best – particularly since it is not as well known abroad. Secondly, we intended to highlight the influence of family businesses in Spanish industrialization. Additionally, the role of the large company has attracted considerable attention on the part of researchers in Spain. For instance, the work of Carreras and Tafunell (1993) did a great job in tracing back the structures of big companies in Spain. Following the steps of Chandler, in-depth studies have also been carried out, such as the one exploring the relationship between the electricity sector and the big banks forged at the turn of the 20th century (Aubanell, Anes and Bartolomé must be cited here). However, large companies in Spain never reached the size of those in other countries and, in most cases, they were linked to family groups. Evidence of the influence of business families has resulted in many interesting case studies often linked to specific activities. In this sense, in Spain, some surnames are frequently associated with certain activities: Aznar with the shipping business, Entrecanales with construction, Luca de Tena with information, Puig with the perfume industry and Mahou, Raventós and Osborne with the agrifood sector, to name a few. This is not only a book of individual cases, although it gathers many. What we hope to achieve by placing them side by side is to inspire reflection on the role that this large group of family businesses has played in industrialization.

It is important to point out that, in dealing with the family business from a transnational perspective, we do not mean to imply that the phenomenon is comparable across all sectors or European countries or that its characteristics are even remotely similar. If the abundant research of the past decades has made anything clear, it is that family businesses differ extensively according to geography and history (Colli and Rose, 1994: p. 24). And they do so to such an extent that it is difficult to find a generally applicable definition of this phenomenon (Colli, 1996: pp. 110–111). As stated by Rose, in order to understand the nature of the family business one needs to turn to its essence. One can then use common sense to apply said essence to varying legal or institutional contexts (Rose, 1994: p. 62). That is why, instead of defining what a family business is, we would rather point out the three elements that, when appearing together, prove its

existence: kin (defined according to the specific country where it is studied), property (understood as the ownership of a significant fraction of the capital of a business) and control (authority over the strategic management of a company) (Colli, 2003: p. 20).

Nonetheless, the existence of sometimes huge differences among family businesses in very different countries does not imply, in our opinion, that the phenomenon cannot be understood as a whole. The nature of such an endeavor is, to us, enriching enough to take on the risk of comparing very different realities. Moreover, while family businesses vary from place to place, their importance in terms of presence and numbers is overwhelming in most European countries (Colli, 2003: p. 15). And this is a stubbornly persistent and common trait in the history of European industrialization.

Businesses by Country

Germany

Villeroy & Boch. 1748

The origins of the company date back to 1748 when, in the village of Audun-le-Tiche – on the border between France and Luxembourg and not far from Belgium and Germany – the blacksmith François Boch, until then a manufacturer of arms, decided to launch a new business together with his three sons and began manufacturing ceramics. Given the privileged geographical location of Audun-le-Tiche, he had soon secured a significant export market. Only 18 years later, his son, Pierre-Joseph, obtained permission from Empress Maria Theresa of Austria to set up a factory in the Dukedom of Luxembourg. Creations from that factory were awarded the special distinction of “Manufacture Impériale et Royale.”

The family's third generation was headed by Jean-François Boch, the founder's grandson. After receiving his education at the École de Sciences in Paris he introduced innovations in the materials the company used – in particular a new type of earthenware similar to porcelain but more robust and less expensive, which earned him a gold medal in 1822 at the King of Prussia Trade Show in addition to other national and international awards. Jean-François acquired a Benedictine abbey in Mettlach, located on the banks of the Saar River and which today serves as Villeroy & Boch's corporate headquarters. He established a tableware factory there, for which he personally designed part of the machinery, which led to a remarkable process of industrial modernization. The achievements of the family's initial generations were not limited to the industrial sphere; in 1812 they also founded the Antonius Guild, a social institution for insuring workers through a pension fund maintained by the company and its employees. The creation of the fund represented an important social

advance and served as a model for the social security systems implemented by Bismarck 70 years later.

The history of the Villeroy family began in parallel to that of the Bochs. In 1791 Nicolas Villeroy and two partners purchased an earthenware factory in Vaudrevange (today Wallerfangen), in Saar, less than 100 kilometers from Audun-le-Tiche. Six years later the entrepreneur had become the sole owner of the business. His innovative spirit led him to implement many advances in production; the Vaudrevange factory, for example, was one of the first to use coal for fuel. He also conducted numerous experiments with glazes, providing significant cost savings.

In 1836 a merger took place between the Villeroy and Boch family companies as a strategy for achieving economies of scale and tackling the strong competition from the British market. The success of the operation fueled a vigorous international expansion during the 1840s and 1850s, linked to the advance of the railroads. The market expanded from France and Great Britain to Russia, Southern Europe, Turkey and the United States. This growth was accompanied by diversification in the business; in 1843 glassware was added to tableware, followed by ceramic tiles in 1852, sanitary ceramics beginning in 1870 and the production of artistic terracotta from 1879.

Scientific discoveries at the end of the 19th century and the start of the 20th century prompted the development of a greater culture of hygiene and the widespread use of sanitary products. Villeroy & Boch began the large-scale production of these products, particularly bathtubs and toilets, making them accessible to the middle class.

After World War I, as a result of the division of the Saar region between France and Germany, new factories had to be bought in Bonn, Torgau and Breslau. During the 1920s and 1930s the company modernized its products and designs, creating new tendencies and incorporating renowned artists.

World War II signified a turning point for the company. Many of its factories suffered serious damage and others were expropriated. Recovery was slow. In 1959 the Septfontaines plant (Luxembourg) began producing vitreous porcelain. In 1971 large-scale exports to Japan were launched for the first time, while the production of tableware was reoriented toward a

more global concept with greater technical requirements. In 1976 Villeroy & Boch acquired a traditional porcelain factory in Selb, giving the company an entrance into new markets.

In 1982 the company underwent a restructuring process, centralizing functions to gain in flexibility and competitiveness. Villeroy & Boch was divided into three divisions: tiles, sanitaryware and tableware/crystal. Major marketing campaigns were made a priority, such as the one carried out by the prestigious photographer Helmut Newton; new concepts were introduced, such as Mix & Match, which encouraged personalization by combining different tableware collections; and new collaborations were developed with artists such as Paloma Picasso.

In 1987 Villeroy & Boch became a public limited company. Its name was changed to Villeroy & Boch AG and its capital remained in the hands of the two families. Three years later, the company began trading on the stock market to facilitate its access to capital markets. During the 1980s and 1990s the company reinforced its position in the market with the purchase of several factories; it became a leader in the hotel tableware and sanitaryware industries.

Coinciding with the end of the 20th century and the 250th year anniversary of the founding of the company, Wendelin von Boch, a member of the family's eighth generation, was named chairman of the Board of Directors. He remained in the position until 2007, when he took over as chairman of the Supervisory Board. Under his management, the company began a new era characterized by thorough modernization and a new approach; the company's marketing efforts were now directed at popularizing a lifestyle, beyond the manufacture of simple ceramic items. To this end, production capacity was increased and flexibility was promoted, without neglecting the firm's adaptation to globalization. In the early years of the 21st century, the company's infrastructure was enhanced, combining capital-intensive plants in the center of Europe and labor-intensive plants in Eastern European countries. The company broadened the internationalization process to Latin America and Asia; in 2004 it launched a line of bath and wellness products in Shanghai to take advantage of the potential of the Chinese market; in 2006 it purchased three sanitaryware companies in

an effort to focus on the most profitable business area: the manufacture of this type of products. In 2008 the company also acquired Nahm Sanitaryware Co, Ltd. in Bangkok.

Currently, the company is present in 125 countries through three divisions: bath and wellness, tableware, and tiles. It has 15 production facilities throughout Europe, Mexico and Thailand and a workforce of nearly 7,500 employees. The family, represented by Nicolas Luc Villeroy, has a presence on the company's Board of Directors, currently chaired by Frank Göring. Wendelin von Boch continues at the head of the Supervisory Board. In 2012 Villeroy & Boch's sales reached €744 million, 60% of which corresponded to the bath and wellness division.

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Warsteiner Gruppe (Haus Cramer Holding KG). 1753

The Warsteiner Group was founded in 1753. This was a direct consequence of Antonious Cramer increasing the volume of beer he produced as a side job to his farming business. As stated in the records of the Warstein Town Council (North Rhine-Westphalia), he was required to pay associated taxes and, hence, the business was created.

Fifty years later a fire destroyed the town, forcing Caspar Cramer and his son Johannes Cramer Vito to rebuild their home, to which they added an annex: a small brewery. The new Church of St. Pancrazio was built close by, giving the Cramer's factory a privileged location right in the heart of the town of Warstein.

At the end of the 19th century the factory was modernized and professionalized by members of the next generation; Albert and August Cramer applied all the technical knowledge they had acquired at the University of Worms to the family business. The technical improvements came with the introduction of the first steam engine, which shot up the production of beer to 3,000 liters annually.

In 1928 the company began to brew Pilsner beer thanks to a discovery made by Albert Cramer: the Kaiserquelle ("Kaiser's spring") at the edge of the Arnsberger Forest, just a little over 15 kilometers from the town of Warstein and close to the brewery site. The water from this spring had a unique quality: it was soft water (low in calcium), which allowed for low-fermentation beer production. This was a major discovery since up to that point they had only brewed lager beer, i.e., high fermentation beer using

very hard water. Warsteiner overtook its competitors by specializing in this type of product.

The following years brought sustained growth for the company. However, the group's largest expansion occurred in the second half of the 20th century. In the 1960s Warsteiner managed to position itself as one of the largest breweries in Germany, with production reaching 10,000 hectoliters. Strong demand for the company's beer led to an increase in the workforce, which grew to over 50 employees.

In 1976 a new brewery was built on the outskirts of Warstein: the Waldpark Brauerei. This brewery was the object of worldwide admiration as one of the largest and most modern in Europe. The company took advantage of the change in location to implement strict quality standards, which would become the hallmark of the firm. Two years later, it moved the group's production and logistics services to the new site. At this point in its history Warsteiner's production exceeded one million hectoliters.

Albert Cramer Junior, a member of the family's eighth generation, became chairman of the company in 1986. Under his management, Warsteiner entered an intensive growth stage through acquisitions and diversification of the business. During the final years of the 20th century and the beginning of the 21st, the group acquired a number of breweries, such as the Paderborner Brewery in 1990, the König Ludwig Schlossbrauerei Kaltenberg in 2001, the Frankenheim Brewery in 2005 and the Herforder Brewery in 2007. Diversification of the business was achieved through the founding of the hotel chain Welcome Hotels in 1998.

This process was complemented by an important change in the group's logistics; in 2005 Warsteiner built its own railway access, making it possible for the company to move over 200,000 metric tons of goods by rail instead of by road. The company was thus able to reduce CO₂ emissions significantly and would go on to implement a policy based on growth that is both sustainable and environmentally friendly.

Most recently, the company has also made an effort to modernize its production and make the most of competitive advantages by building its own power plant, as well as a wind power plant, that supplies 40% of the Paderborner factory's energy needs. Along these lines, in 2011 a research

and development center (Brew Academy for Research and Development) was opened, focusing on the optimization and efficiency of the beer-making process. That same year, the group made a transoceanic leap by signing an agreement with SAB Miller for expansion into the Argentinian market.

Following the death of Albert Cramer Junior in 2012, the succession process resulted in the position of chairman being held, for the first time, by a woman: Catharina, Cramer's oldest daughter, took over the reins of the family business.

The family motto – “innovation and investments by tradition” – has been reflected both in the group's history and its principles. Warsteiner has made a special effort to promote business and social responsibility. They not only aim to preserve beer as a cultural asset and promote education in responsible consumption, but also pursue sustainability as the foundation for their business.

Currently, the Warsteiner Group has an extensive portfolio of beer brands, exported to over 60 countries, and employs more than 2,300 people. The group obtained profits of €530 million in 2012, the same year in which its production reached 4.56 million hectoliters of beer.

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Haniel. 1756

The origins of the Haniel group can be found in the town of Ruhrort, near Duisburg, North Rhine-Westphalia, a major river port where the Rhur and Rhine Rivers meet. It was there, in 1756, that customs inspector Jan Willem Noot opened a warehouse to provide services to merchants doing business with the Netherlands. His son-in-law, Jacob W. Haniel, and his daughter, Aletta, took advantage of the facilities to trade wine and, later, also iron and steel.

Upon the death of her husband in 1782, Aletta continued the business and was soon joined by her three children. In 1802 two of them, Gerhard and Franz, founded a coal transport company together with their brothers-in-law. Shortly afterward, in 1808, they acquired a mine and became iron smelters. Franz emerged as the undisputed leader and began shifting the focus of the business away from its initial activities, centering instead on the iron production process by means of vertical integration.

In 1839 the company manufactured the first railroad locomotive in the region of Ruhr and, in 1845, the first steam tugboat to be built in Germany. The company was also a pioneer in the construction of employee housing. Franz and his wife, Friederike, donated a hospital to Ruhrort on the occasion of their silver wedding anniversary in 1856. Franz died in 1868. With the inheritance, his children founded Franz Haniel & Co., an equity consortium.

At the beginning of the 20th century, the company made an important strategic decision: to separate management from ownership. The business would be run by the professionals deemed most appropriate at any given time. The family's role would be limited to supervising the company's strategy through its governing body, the Board of Directors. Since 1917, no family members have worked in the group at the operational level.

The company continued to expand its range of activities: maritime transport, freight services and chemicals. In 1905 it built a floating wharf in a Chinese port. In 1919 it built one of the largest river shipyards in the world in the German town of Walsum. Starting in 1920, it entered into the field of fertilizers, fuel-oil and peat. In the years preceding the Second World War, as well as during the armed conflict, the group developed a technique for producing gasoline from coal. However, the war tore apart the company's overseas commercial network and destroyed nearly its entire fleet.

After 1945, the group was affected by the Allies' decision to dismantle the large German industrial groups; specifically, it was forced to hand over its business in the iron and coal sectors. As a result, the family lost 42% of its holdings in Franz Haniel & Cie., the company it had founded in 1917 to group its investments. Over the years, Haniel recovered some of the assets that had been confiscated after the war.

The first postwar decisions involved rebuilding the fleet and resuming the coal business. In 1950 the company began acting as a broker in the oil and derivatives markets, creating its own network of gas stations, which it sold in 1964.

Seeing the need for reconstruction in the wake of the war, the group entered into the aggregate manufacturing business. Other channels for diversification included acquiring a whole-sale pharmaceutical company and forging partnerships with other business professionals to create the Metro chain stores; as of 2007 Haniel owns a third of the shares. In parallel, the group underwent a restructuring process to create business units with the potential to operate with a high degree of autonomy.

In 1970 another fundamental strategic decision was made: to sell all assets related to coal, iron and steel to become a conglomerate with a presence in highly diverse sectors. In 1980 the group formed a holding company.

Since then, in keeping with this new status, certain investments have been temporary; Haniel bought shares in companies with potential for growth and promoted them. When the companies had reached a sufficient level of development, the shares were sold. This was the case in certain sectors, such as the building materials sector with a company called Xella

sold in 2008, and in the area of fire and water damage restoration with the company Belfor, disposed of in 2006.

In 2013 Haniel had a presence in five business sectors: cleaning (bathrooms and rooms, as well as textiles: CWS-boco), raw materials for the production of stainless steel (ELG), business supplies and equipment (Takkt), retail stores (Metro) and health and pharmacy (Celesio). This last company was the result of the acquisition of pharmaceutical product distributors in Germany from 1962 to 1973 (Gehe, renamed Celesio), in France in 1993, two years later in the United Kingdom and, beginning in 2000, in Austria, Norway and the Czech Republic.

In mid-2013 the group had close to 650 family member shareholders and a total of 56,000 employees in 30 countries around the world. Turnover for the financial year was €26.3 billion.

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Faber-Castell. 1761

Faber-Castell was founded in 1761 in Stein, Bavaria, a town just seven kilometers from Nuremberg and known for its history of pencil making. This was the birthplace of Kaspar Faber (1730–1784), a cabinet maker and a pencil maker in his spare time whose success allowed him to start his own business. When he died, he was succeeded by his son Anton Wilhelm (1758–1819), who took an important step forward with the newly established company, launching the first transition toward a more industrialized production. The current headquarters of Faber-Castell is located on land bought by Anton Wilhelm on the outskirts of Stein, where a factory was built and named A.W. Faber.

In 1809 a member of the family's third generation, Georg Leonhard (1788–1839), took charge of the business. He was faced with a difficult political and economic climate, along with competition from English pencils that were of higher quality due to the extraordinary quality of the graphite they used, which came from Cumberland. In spite of the difficulties brought on by this competition, Georg Leonhard could see the decisive role that international expansion would have. He sent his sons, Lothar and Johann, abroad. The innovative ideas they learned there allowed them to not only lay the foundations of subsequent growth, but also leave behind the traditional pencil-making processes that had been used up to that point.

After Georg Leonhard died in 1839, Lothar Faber took over the family business. The handover to the fourth generation began one of the most crucial eras in the company's history. The founder's great-grandson set himself the goal of "conquering the market by making the best that can be made anywhere in the world." To achieve this, Lothar worked hard to modernize,

expand and diversify the company. Among the strategies he adopted, one of the most noteworthy was the acquisition of exploitation rights for a high-quality graphite mine in Siberia (1856). He also modernized the factory with the construction of new buildings in 1837 that demonstrated a concern for workers' well-being along with the desire to create a space with the potential to foster good work. Lothar's concern for his workers also led to the creation of a social security system, which would later include pension plans and other social benefits. He also took the first steps in the marketing area, placing priority on high quality and a carefully designed presentation of the pencils. He was a trailblazer in embossing the factory name on his products. However, this also gave rise to imitations, which Lothar reported, leading to the enactment of laws to protect property rights. It is not surprising that Faber-Castell is the oldest registered trademark in the United States.

In the middle of the 19th century, the company internationalized and branches were opened in New York, Saint Petersburg, London and Paris, putting to good use the impetus provided by the World Fairs. In 1861 the company set up its first factory abroad. It was located in Brooklyn, New York, and was managed by the youngest brother in the family, Eberhard, to boost business during the Civil War. This factory became an independent firm some time later under the name of Eberhard Faber Company. The product catalog was also enhanced; in 1861 the company began to make school chalkboards and, in 1872, an eraser factory was opened in Newark, New Jersey. A.W. Faber patented its elliptical erasers in 1875.

Lothar's son, Wilhelm, took over the company but died without leaving any male heirs. The firm was thus inherited by his daughter, Baroness Ottilie von Faber, who married Count Alexander zu Castell-Rüdenhausen in 1898. The latter joined the family business shortly afterward and went on to manage it until the death of the baroness. The company name then became A.W. Faber-Castell, in keeping with a condition instated by Lothar von Faber that heirs maintain his family name. Under Alexander's management, the company modernized its image and launched new product lines, such as high-quality pencils and colored pencils.

World War I came as a tough blow to the company and it lost many of its branches, including the one in the United States, the ownership rights to

which were not recovered until 1994. In 1928 Ottilie and Alexander's son, Count Roland von Faber-Castell, inherited the family business. Under his leadership, a number of companies were taken over – including the Johann Faber pencil factory founded in 1879 by Lothar's brother, purchased in 1932 – and the international expansion of the business continued into South America and Europe.

The recovery period following World War II was less costly than that of World War I, although some factories were lost. Roland modernized the business with the addition of new products: mechanical pencils (patented in 1948), pens (in 1949) and cosmetic pencils (in 1978). He also paid meticulous attention to the presentation of the products, following in the footsteps of his grandfather Lothar, and he created new formats such as children's pencils, presented in colorful packages.

Anton Wolfgang von Faber-Castell took over in 1978; this was the eighth generation of the family to be in charge of the business. This era saw the opening of new factories and offices abroad, especially in Asia; and the sustainability of the company's projects became a goal. In 1993 the social and corporate image was redesigned to adapt it to new times, and production was reorganized into different branches. In 2003 Faber-Castell signed the United Nations Global Compact, demonstrating the company's awareness of social responsibility.

Currently, Faber-Castell is the largest manufacturer of pencils in the world, with a production capacity exceeding two billion pencils annually and nearly 7,000 employees, approximately 13% of whom are in Germany.

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Rothschild Group. 1798

The Rothschild Group dates back to the 1760s, when Mayer Amschel Rothschild – a wealthy Jewish merchant – set up a business in Frankfurt, Hesse, dealing in coins and bills. His success led him to be appointed representative of the Court of Prince William I of Hanau. His five children, after learning the business, established themselves all over Europe forming one of the largest banking empires in the world.

In 1798 his son Nathan Mayer Rothschild moved to Manchester as a textile merchant. In just a few years, he managed to build up an impressive reputation. In 1809 he moved to the City of London and established an office in New Court, where he began engaging in banking activities such as negotiating bills of exchange and granting overseas loans. In those days London was seeing an influx of capital fleeing from revolutionary movements and the Continental Blockade. The city took on an intense dynamism, displacing Amsterdam as the European capital of finance. Nathan Mayer Rothschild's banking activities soon earned great recognition. This was made evident in 1814, when he and his brothers were chosen by the British government to supply the necessary financial resources to defeat Napoleon. From that point on, raising funds for various governments through the issuance of bonds became one of the family's main activities.

The success of the London office served as an example to be followed by the other Rothschild brothers, who set up their businesses across Europe. James, the youngest, founded a banking house in Paris, Salomon settled in Vienna, Carl in Naples, and Amschel, the eldest of the five brothers, took charge of the Frankfurt bank. By the time Nathan Mayer died in 1836, the Rothschilds had become the most renowned and prestigious bankers in

Europe. Indeed, four years later the Bank of England appointed the company N M Rothschild & Sons as one of its gold bullion brokers. The Gold Rush also led to the creation of branches in California and Australia. After that, the gold market became one of the Rothschilds' main businesses. In parallel, the company broadened its interests to include the mining of mineral deposits. Furthermore, in the mid-19th century the family secured a monopoly over the production of mercury – which was used for refining precious metals – through the acquisition of several Spanish mines. As a result, beginning in 1852 and for nearly a century, the Rothschilds were responsible for operations at the Royal Mint in London, refining and casting metals for the Bank of England and other international clients.

The political developments of the second half of the 19th century did not leave the family unscathed. The year of Revolutions, 1848, hardly affected them. However, the unification of Italy in 1861 brought about the closing of their bank in Naples. Meanwhile, the business of issuing bonds increased and continued to grow. It was due to rapid and decisive action by Lionel de Rothschild in 1875 that the British government was able to acquire an important stake in the Suez Canal.

James Mayer Rothschild, the last of the founding brothers, died in 1868. Although the different branches of the business were closely related to their respective founders, the second generation managed to maintain the family ties, strengthening them through the establishment of collaboration agreements. The House of Rothschild continued to play a leading role in European finances and, during the second half of the 19th century, it contributed actively to the industrialization of Europe, financing the construction of railroads and the creation of mining and steel industries.

At the end of that century, the Rothschilds' interest in mining operations soared. The family participated in founding The Exploration Company, dedicated to the exploration of mineral sites worldwide. It also financed the creation of the diamond mining company De Beers in 1887 and made other investments in the mining of precious stones in Africa and India. In 1901 the banking house in Frankfurt closed its doors following the death of the last living family member, who left no male heirs. Commercial ties to the family's city of origin remained severed for over 80 years.

After World War I the Rothschilds took their business in a new direction. Their traditional activities financing governments gradually lost ground to financing commercial and industrial companies. One of their first clients was the London Underground. Nevertheless, the company's interest in gold continued: the N M Rothschild & Sons bank was given a permanent role in fixing the world's daily gold price, a tradition that continued until 2004.

After the downturns caused by the crisis of 1929 and the subsequent expropriation of the bank in Austria, the family attempted to refloat the banking business, with special emphasis on Paris and London, in addition to exploring new business lines. N M Rothschild & Sons began operating in the new Eurobond markets and, from Switzerland, took the first steps toward developing an asset management and risk capital business through the foundation of Rothschild Private Management Limited.

In 1981 the Rothschild House in Paris was nationalized by Prime Minister Pierre Mauroy's socialist government, under the presidency of François Mitterrand. The family thus lost one of its longest-standing banks. However, they did not take long to react. Two years later, David de Rothschild founded the Rothschild & Cie. Bank, a successor of the former, which quickly recovered its position of leadership in international banking.

Currently, the Rothschild House operates as a single organization, present in over 40 countries, employing some 2,800 people. The group offers numerous specialized financial services, including financial advisory services, institutional asset management, wealth management and commercial banking.

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Bertelsmann. 1835

The Bertelsmann group dates back to July 1, 1835, when printer Carl Bertelsmann (1791–1850) founded C. Bertelsmann Verlag in the German town of Gütersloh, North Rhine-Westphalia. Carl Bertelsmann was known for his intense political and religious activity, which explains the printing house's original specialization in theological subjects. The printing house also published educational books and two newspapers, one of which, *Evangelisches Monatsblatt für Westfalen*, was in circulation until 1929.

Upon the death of Carl Bertelsmann, his son Heinrich (1827–1887) took charge, continuing the editorial tradition of his father, with whom he shared similar entrepreneurial ambitions and a strong political and religious sensibility. In fact, Heinrich would become renowned as a political figure in Eastern Westphalia. Under his leadership, the company experienced strong growth and, as a result of the acquisition of other printing houses, began publishing philosophical, philological, historical and fictional works, as well as children's literature. This expansion made it necessary for the company to relocate to new premises, which would go on to serve as the company's general headquarters until 1976.

Heinrich Bertelsmann died without leaving any male descendants and was thereby succeeded by his son-in-law Johannes Mohn (1857–1930), who had married his daughter Friederike in 1881. During the period in which Johannes ran the family business, the printing house returned to its focus on theological subjects. Johannes, however, could not recover from his traumatic experiences in World War I and in 1921, upon returning from the front, he was replaced by his son Heinrich (1885–1955).

After the Great War the family's fourth generation transformed the business into a modern, decentralized company. Despite the hyperinflation in Germany in the early 1920s, the company managed to become well established thanks to deep restructuring and modernizing strategies – strategies which, nonetheless, stayed loyal to the publishing line set by their predecessors and in close collaboration with Protestant organizations and societies. In parallel, the first sales and advertising strategies were implemented and fiction was officially added to the supply, although the publishing house continued to focus primarily on a Christian readership.

Under the Third Reich, in addition to classic and new literature, the company expanded its range of publications to include nationalist (*völkisch*) literature with anti-Semitic content, featuring Will Vesper as its star author. Due to its alignment with the economic and political interests of the National Socialist (Nazi) Party, Bertelsmann emerged as one of the leading suppliers of the army (*Wehrmacht*), which generated an extraordinary increase in sales. It published books recounting experiences on the battlefield, as well as the Armed Forces series, a collection of classic and nationalist literature published from 1939 for the entertainment of German soldiers. That same year, the theological publications were discontinued at the request of the government, and religious titles would not be offered again until 1941. The impressive increase in sales was achieved by subcontracting Dutch printing houses and enhancing the efficiency of its own production facility. In spite of this, the company was closed in 1944 by judicial order due to illegal procurement of paper, and it remained closed until a fine was paid shortly before the end of the war.

When World War II was brought to a close, Bertelsmann managed to reopen the business quite quickly. Although its facilities had been destroyed in a British bombardment, much of the printing equipment could be recovered and the company reemerged with the publication of schoolbooks commissioned by the British military government. In 1947 the baton was passed to its fifth generation representative: Reinhard Mohn (1921–2009), son of Heinrich Mohn.

Despite financial difficulties following the monetary reform of 1948, Reinhard managed to get Bertelsmann off the ground through innovation,

diversification, reorganization and international expansion of the business. In addition to a modernization of the machinery, one of the most important new features it introduced was the creation of book clubs, which allowed it to cope with the decline in demand. The Bertelsmann Lesering book club, founded in 1950, was a great success. It was joined by others around the world: the *Círculo de Lectores* (founded in Barcelona in 1962), the acquisition of the Austrian club *Donauland* in 1966, and other clubs founded in the Netherlands (1967), Portugal (1970) and the United Kingdom (1977). From 1953 to 1955, Reinhard also began to produce a four-volume encyclopedia, *Das Bertelsmann Lexikon*. Three years later, the company undertook its first forays into the music world, with the creation of a successful record label.

The innovative ideas of Reinhard Mohn facilitated the rapid growth experienced by Bertelsmann under his leadership. In 1960 the first modern corporate structure of the firm was designed (set out in the *Grundsatzordnung*). This was followed by the establishment of the company's principles (*Bertelsmann Essentials*): decentralized organization, delegation of responsibilities, employee profit-sharing, fulfillment of its duties to society, and shared leadership. During the 1960s, the group entered the movie and television business, as well as the magazine industry, with the acquisition of the publishing house Gruner + Jahr. Years later, Bertelsmann would spin off the electronic media division of this last company to form a new firm, Ufa Film- und Fernseh GmbH, to operate in the television and electronic media industry.

In 1971 the company adopted the legal form of a public limited company (Bertelsmann AG), a crucial step toward the formation of a modern business group. Ten years later, the company established Bertelsmann Stiftung (the Bertelsmann Foundation), a non-profit organization that holds the majority of the company's shares. Five years later, the company's growth required its relocation to new headquarters, on Carl-Bertelsmann-Strasse, as well as the centralization of the publishing business in Munich.

In the 1970s and 1980s, the company focused on internationalization and the regrouping of its businesses in order to streamline its structure. Book clubs were exported to Central and South America, while the music

and publishing businesses were exported to the United States through various acquisitions (the Arista and RCA record labels and the Bantam Books and Doubleday publishing houses). Business in Europe was also strengthened through the acquisition of the Spanish publishing house Plaza & Janés. As a result of its strong expansion in the United States, a new corporate center was established in New York in 1987 (Bertelsmann, Inc.). Additionally, around the same year, the U.S. publishing houses were consolidated into the Bantam Doubleday Dell Publishing Group and the record labels into the Bertelsmann Music Group (BMG). Bertelsmann also continued with the expansion and reorganization of its television and electronic media activity. In 1997 Ufa Film- und Fernseh GmbH merged with the Compagnie Luxembourgeoise de Télédiffusion (CLT), giving rise to the creation of one of the largest television companies in Europe, with operations in Germany, France, Belgium, the United Kingdom, the Netherlands, Sweden, Luxembourg and the Czech Republic. In turn, this group merged with the British company Pearson TV in 2000, which gave rise to the RTL Group. Multimedia services and online services were also added during this period.

After the fall of the Berlin Wall, Bertelsmann expanded its activities to Eastern Germany and Central Europe by increasing its presence in the daily newspaper arena. To this end, it created in 2000 the *Financial Times Deutschland* in collaboration with the British group Pearson. Meanwhile, expansion into Asian markets was also sought after; in 1997 the company founded its first book club in China, where it has continued to expand. The U.S. market took on greater importance due to the acquisition of the Random House publishing company. The company also increased its presence on the Internet and acquired Sprinter, an advertising company specializing in academic articles.

In 1999 Reinhard Mohn transferred his voting rights in favor of Bertelsmann Verwaltungsgesellschaft (BVG), to guarantee the company's independence and continuity. Today, BVG, whose shareholders consist of three members of the Mohn family and three elected individuals, controls all of the votes in Bertelsmann AG.

At the start of the new millennium, the group participated in Expo 2000 in Hanover, where its presence was a great success. In the first years of the new century, Bertelsmann directed its efforts toward increasing profits. To this end, it concentrated on what had been its main lines of business while promoting decentralization; it increased its holding in the RTL Group, which became the business division with the largest turnover, and it made several acquisitions. In 2004 Sony BMG Music Publishing was created, a joint venture between the company and Sony Music that was then sold in 2006. Shortly thereafter, BMG Rights Management was created to manage music rights.

In 2012 the corporate strategy was defined, structured around four pillars: strengthening of the fundamental businesses through creativity, digital transformation of the business, establishment and expansion of growth platforms and regional expansion in emerging markets.

Currently, the company operates in more than 50 countries, where it employs 104,286 people. It is divided into five divisions: television (RTL Group), book publishing (Random House), magazine publishing (Gruner + Jahr), services (Arvato) and printing (Be Printers). In 2012 it made a profit of €619 million, of which 36.7% corresponded to the RTL Group. At that time, Thomas Rabe was chairman and CEO and the family held 19.1% of Bertelsmann SE & Co. KGaA; the rest of the capital was in the hands of the foundations Bertelsmann Stiftung, BVG-Stiftung and Reinhard Mohn Stiftung.

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Tengelmann Group. 1867

The origins of the Tengelmänn Group date back to the creation of a company called Wilh Schmitz-Scholl (Wissoll), founded on January 1, 1867 in Mülheim, North Rhine-Westphalia. Wilhelm Schmitz, a man of humble origins, worked with his wife, Louise Scholl, importing foodstuffs, mainly coffee, tea and spices. Schmitz was in charge of the company until 1887, when an illness prevented him from continuing with his work. His ambition had led him to enlarge the product catalog with the introduction of two new brands of coffee that he refined himself. He also began importing oil and even opened a brandy distillery.

Schmitz's wife died shortly afterward and the company was left in a complicated situation. His son Karl took over and continued along the path his father had begun. To finance an expansion of the business, Karl entered into a partnership with a local competitor who let him sell roasted coffee in stores. That company (Kaiser's Kaffee) would be taken over by Karl's grandson 80 years later.

In 1893 the company opened its first subsidiary in Düsseldorf under the name Tengelmänn, in honor of his partner, Emil Tengelmänn. Anticipating a growing demand for candy, Tengelmänn built a chocolate factory in Mülheim-Speldorf, which commenced operations in 1912. Its products were distributed exclusively through Tengelmänn stores. The production of chocolate continued until 2003.

On the threshold of the First World War, the Schmitz-Scholl commercial network covered an extensive territory, reaching all the way to East Prussia. In spite of the devastating consequences of World War I, the company survived due to precautions taken prior to the armed conflict. It managed,

for example, to avoid the blockade on imports and continued producing chocolate, which allowed the company to recover relatively quickly and launch a new expansion, particularly in Bavaria. During this period, new coffee and processed food plants were built so that, by the end of the 1920s, the company had close to 560 Tengelmann stores.

In 1927 Karl Schmitz-Scholl fell ill and his son Karl Schmitz-Scholl II took over, managing the family company under the guidance of his father and, following the death of the latter in 1933, on his own. During the Third Reich, due to the restrictions imposed by the National Socialist Party which gave preference to the arms industry in Mülheim, the company was forced to move its headquarters to Speldorf, a town on the outskirts of Mülheim. In those difficult years and during World War II, the company's efforts were focused on producing food for the Armed Forces and on replacing stores that had been bombed by reusing old railroad cars.

At the end of the war, the company's assets were frozen, Karl Schmitz-Scholl II was arrested and the company was placed under the management of a person designated by the Allied forces. However, Elisabeth Haub, Karl Junior's sister and mother of the current chairman, was allowed to participate, preventing the family from losing control of the business.

When Karl Schmitz-Scholl II returned, he began rebuilding the company, since many of the stores had been completely destroyed during the bombings. Once back to normal, the company continued with its process of expansion and modernization. In 1952 the first self-service store was opened in Munich and, shortly afterward, the first attempts at large-scale distribution were made.

After the death of Karl Schmitz-Scholl II in 1969, his nephew, Erivan Haub, took over the management of the company, continuing with the expansion carried out by his predecessors. He began Tengelmann's internationalization, entering the Austrian market through the acquisition of a supermarket chain in 1972. The company entered the U.S. market by investing in The Great Atlantic & Pacific Tea Company, Inc. in 1979. This internationalization process continued with the purchase of supermarket chains in Bulgaria (1989) and Austria (1994) and the expansion of the Plus supermarket chain, established in 1972, to European countries

such as Hungary, the Czech Republic, Italy, Spain, Poland, Denmark, Portugal and Latvia.

During the same period, the company began diversifying by purchasing shares in a DIY store (OBI), beginning in 1985, and through the acquisition of Modea, which marked the group's first foray into the textile sector. In 1994 the first Kik stores were opened, dedicated to the textile outlet business.

In 2000 Erivan Haub made way for the next generation and took over as the group's chairman. Over the next decade, internationalization continued and the first OBI store opened in China. OBI stores were also opened in Bosnia-Herzegovina, the Russian Federation and Croatia. In turn, the Plus supermarket chain entered into the Romanian and Greek markets, while the Kik brand did the same in Slovenia and the Czech Republic. In 2008 the Plus supermarkets in Spain, Portugal, Greece, Poland, the Czech Republic and Hungary were sold. In 2009 a merger took place between Plus Warenhandels GmbH and Netto Marken-Discount GmbH & Co. OHG, a subsidiary of the Edeka Group, which completed the sale of the group's remaining Plus stores.

In 2010 Kaiser's Tengelmann GmbH moved its main headquarters to Mülheim and continued to diversify and expand its business; among other operations, the e-commerce segment was launched through the acquisition of shares in various companies, and new stores continued to be opened across Europe.

Today the group operates in 15 European countries and is structured around four lines of business: retail sales, the real estate business, services and energy, and subsidiary companies. In 2011 it generated sales of €10.78 billion and employed 83,437 people.

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Fiege Group. 1873

The Fiege Group was founded in 1873 in Greven, North Rhine-Westphalia. It was there that Joan Joseph Fiege, a farmer, decided to pursue an extra source of income by offering transport services, carrying mainly coal, using a horse drawn cart.

His sons, Josef and Bernhard, were initially included in the family business. However, in 1908 they went their separate ways; Josef opened his own transport company, while Bernhard continued with the business his father had begun up until it was dissolved in 1930. Josef's business focused on the transport of foodstuffs, for which purpose he built a stable, a barn and a shed. He supplemented his income with an inn, which proved to be essential to the survival of the business during the First World War.

In 1924 the company underwent a major development when Josef Fiege Junior, Josef's son, purchased their first truck. This led to a significant increase in load capacity, as well as in the reach of their operations. As a result of this initiative, in 1928 the first long-distance transport contracts were secured. Josef Fiege Junior took over responsibility for managing this activity.

During the Third Reich (1933–1945) and following the death of his father in 1938, Josef Fiege Junior took charge of the entire business. He decided that the moment had come to focus on the company's main activity: long-distance transport. However, the outbreak of World War II spoiled his plans. In August 1939 Fiege's transport division was assigned to Fahrbereitschaft Münster-Land, the regional transport fleet. All of the company's vehicles were requisitioned except for six, which were used to transport food and fuel to the outskirts of Greven.

After the war ended, the company began its reconstruction. The growing demand for heavy-goods transport gave a significant boost to the company, accelerating its expansion; five years after the end of the war, Fiege had more than 40 commercial vehicles and had acquired new land to enlarge its corporate base, which grew to cover 28,000 m².

In 1951 the territorial expansion of the firm began. It opened its first branches in Haltern and Neuss, to be joined by new branches in later years. The 1950s also saw the beginning of the business's vertical integration; in 1955 Fiege began to manufacture its own trucks.

Josef Fiege Junior died in 1959 and was succeeded by Karl Fischerbach, Anne Fiege's husband. Fischerbach focused his efforts on developing international goods traffic and temporarily gave less importance to the transport segment. In 1967 Heinz and Hugo Fiege, Josef Fiege Junior's sons, joined the company and equal priority was once again placed on both segments. In addition, the opening of new branches allowed the company to offer international land transport services for the first time starting in 1970.

In 1979 the company took a decisive step in the implementation of its business concept; the traditional transport division was expanded to include logistics. This enlargement started with the creation of the first national supply chain for Bridgestone, the tire manufacturing company. The logistics segment experienced major growth in the following years, expanding into new sectors such as industrial products, glassware and beverages, among others. A few years after its implementation, this became the group's most important activity, eclipsing the transport of goods. In addition, the company received a number of environmental protection awards due to the careful location and construction of its logistics centers. Fiege offered its clients integrated and customized management solutions, which ensured resources would be utilized to the fullest.

In 1980 the company moved to new headquarters in the district of Reckenfeld, Greven. It also took over other transport companies, including Klein-Wiele and Wilken, which allowed it to increase its capacity in the sector. In the 1990s and 2000s, the company continued to expand in the logistics sector, both in terms of the number of clients and their diversity. The most noteworthy of these new clients included Bosch, Fujitsu Siemens

Computers and Apollinaris & Schweppes. Fiege also increased the capacity of this business division by building new warehouses and logistics centers, as well as through the acquisition of various logistics firms, including the Swiss company Goth (1997) and the German companies Rewico Logistik International GmbH (2005) and Tts Group (2006). These operations helped the company consolidate its internationalization and ensured it was fully capable of operating on a global scale. In 2003 all of the companies were grouped under the Fiege brand.

The fifth generation of the family joined the company in 2004, when Jens Fiege, Heinz's son, took the reins. In 2008 Felix Fiege, Hugo's son, joined the business as manager of the engineering segment (Fiege Engineering).

In 2010 the group reorganized its business structure in an effort to increase internal efficiency, customer loyalty and the search for new clients. Currently, the company employs over 11,000 workers and operates through 200 subsidiaries spread across 14 countries. In 2011 Fiege obtained profits of €1.5 billion, and estimates indicate that it has over 3 million m² of warehouses and logistics centers. The company is currently managed by Heinz and Hugo Fiege as chairmen of the Board of Directors, Jens Fiege as CEO, Alfred Messink as financial director and Stefan Kurrle as vice-chairman of the Board.

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Schaeffler Technologies. 1883

The origins of the Schaeffler Group, a leading manufacturer of ball bearings, date back to 1883. At that time, an innovation in the manufacture of steel balls sparked the beginning of the German ball bearings industry. Friedrich Fischer, the inventor behind it, had designed a grinding machine that allowed for the production of large quantities of perfectly round steel balls. In 1905 Fischer registered his design with the Berlin patent office under the brand name FAG (Fischers Aktien-Gesellschaft). FAG is one of the brands that, along with INA and LuK, would later come together to form the Schaeffler Group.

FAG quickly set itself apart for its advances in the ball bearings industry. In 1912 Johann Modler, one of the company's engineers, developed a new type of ball bearing that permitted angular adjustment, a new development in the sector. In addition, in 1926 the company began to manufacture conical roller bearings, a system particularly well suited for withstanding simultaneous radial and axial loads.

The international expansion of FAG began in 1953 with the installation of a production facility in Canada. The new factory (Fischer Bearings Manufacturing Ltd.) was located in the town of Stratford, Ontario. FAG was also known for its strong commitment to scientific investigation, a pursuit that eventually led to the creation of the FAG Kugelfischer Foundation. Its achievements in innovation led FAG to become one of the most prestigious manufacturers of ball bearings in the world. Proof of this was its participation in the development of space shuttle propulsion systems in 1994 and in the construction of the London Eye (also known as the Millennium Wheel), for which the company manufactured large-scale ball bearings.

In parallel to FAG's expansion came the foundation of INA, another of the companies that would eventually become part of the Schaeffler Group. In 1946 the brothers Wilhelm and Georg Schaeffler founded the state-of-the-art technology company INA in the German town of Herzogenaurach. Three years later, Georg designed a type of needle cage which, used with needle roller bearings, improved and enhanced the reliability of their industrial applications. It was a groundbreaking invention that, years later, would lead to the development of the first linear guidance systems, a roller mechanism for driving movements.

In the 1950s, INA, like FAG, also began its international expansion. In 1956 it founded its first foreign plant, in the French town of Haguenau, dedicated to the production of ball bearings for the European markets. The success of this venture led to the opening of new plants in other countries; in 1958 the company set up a factory in São Paulo and, in 1992, it made the leap to the Asian market with the opening of a factory in South Korea. INA also founded commercial delegations in other European countries, such as Spain and Portugal. In 1960 it was set up in Barcelona under the name INA Rodamientos de Agujas, S.A. and began its first steps on a commercial scale. During that same period, the company also produced needle roller bearings in a small workshop belonging to the Spanish company Rodisa, in the Basque town of Eibar. Rodisa was eventually acquired by INA in 1991. Its venture into the Portuguese market took place in 1965 with the creation of Agulhas Schaeffler, Lda., INA's representative in Portugal. In 1988 the company changed its name to INA Rolamentos, Lda.

Finally, LuK, the third brand in the Schaeffler Group, was founded in 1965. The brothers Wilhelm and Georg Schaeffler, together with a few foreign investors, founded Lamellen und Kupplungsbau GmbH (LuK) with the aim of producing spring and diaphragm clutches, initially intended for the Volkswagen Beetle. LuK thus became the leading European manufacturer of clutches and, like its two future partners, stood out for its constant commitment to innovation. In just a few years, the company managed to position itself as the leading European supplier for the automotive industry. In 1974 the company set up two foreign subsidiaries: LuK do Brasil and LuK México. In 1999 INA managed to take over full control of LuK, purchasing

the shares that were held by investors outside the Schaeffler family.

At the beginning of the new millennium, the Schaefflers bought their competitor, FAG, thus becoming the second-largest manufacturer of ball bearings worldwide. In 2003 INA, FAG and LuK joined to form the Schaeffler Group. After the group was formed, the industrial divisions of INA and FAG began to work together, since they both specialized in the manufacture of ball bearings and shared significant synergies. In 2006 INA and FAG published their first joint catalog of parts. Due to the combination of valuable know-how and the experience and leadership of all three companies, the Schaeffler Group emerged with a strong innovative drive and a global scale. Research and development, a key activity for the group, was enhanced by the opening of several R&D centers, first in Germany and later in China and the United States. These and other investments in research and development bore their fruits; in 2010 the group registered 1,600 patent applications in the German patent and trademark office, thus becoming the fourth most innovative German company.

The international expansion and growth of the consolidated Schaeffler Group was mostly achieved through two strategies: the opening of new production facilities (India, China, Hungary, Vietnam and Mexico) and strategic merger and acquisition operations with other companies, which allowed the group to fully develop its competencies. In 2005 it acquired APTEC, a company specializing in the manufacture of friction surfaces and, three years later, it announced a public take-over offer to the shareholders of Continental AG, an operation that was completed in 2009. Currently, the Schaeffler Group is the largest shareholder in Continental, holding 49.9% of the capital. Upon completion of this operation, the group adopted its current name: Schaeffler Technologies GmbH & Co. KG. One year later, the electrical mobility division was opened: eMobility Systems.

With its three strong brands (INA, FAG and LuK), Schaeffler currently operates in the automotive, aerospace and distribution sectors. A clear client-oriented approach, top quality and innovation are the three main factors behind the group's success. Schaeffler divides its operations into three business areas: automotive (its main source of revenue), industry (with an extensive product range) and aerospace (a small but powerful

division). All together, the group manufactures a wide range of precision products and is present in 50 countries through more than 180 foreign locations (plants, engineering offices and commercial delegations). Maria-Elisabeth Schaeffler, widow of the founder Georg Schaeffler, and her son, Georg F.W. Schaeffler, are the largest shareholders in the company.

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Boehringer Ingelheim. 1885

The origins of Boehringer Ingelheim date back to 1885: the year in which Albert Boehringer acquired a factory in Nieder-Ingelheim, Rhineland-Palatinate. The factory, registered under the name “Albert Boehringer, chem. Fabrik vom 1. Aug. 1885 ab,” was dedicated to the production of tartaric acid for use in pharmaceutical products and dyes. The demand for this product took off in the following years with the popularization of carbonated drinks and baking powder. Eight years after acquiring the factory, the company changed its corporate name to C.H. Boehringer Sohn, in honor of the founder’s father. That same year, the company saw its first major breakthrough.

In 1893 while experimenting with citric acid, Boehringer discovered bacteria that could produce lactic acid in mass quantities. Lactic acid was in great demand by the food and textile industries, as it was used for making dyes and treating leather. Boehringer thus became the first company to develop biotechnology processes on an industrial scale. Lactic acid was produced industrially from 1895 to 1972.

The company quickly began to diversify and expand its product range, fueled by a strong commitment to research and innovation. In 1905 it developed a process for extracting alkaloids such as morphine, cocaine and codeine. These substances were exported abroad or sold to pharmacies. The first drug produced by the company, Laudanum, marketed since 1915, was made from these components. Two years later, Boehringer opened its first research department, which was run by Professor Heinrich Wieland – Albert Boehringer’s cousin – who went on to win the Nobel Prize for chemistry in 1927. This department was the cornerstone of the business’s development in the acid and

alkaloid sectors and in the pharmaceutical industry. Professor Wieland's work gave rise to a number of drugs put on the market in later years.

At the same time, the company continued to expand its activity and opened a new factory in Hamburg in 1923. Beginning in 1925 and through to the present day, this facility centralized the production of the basic components of many drugs such as morphine, caffeine and codeine. In 1928 the firm took a step forward in the expansion of its activity by acquiring the company Dr. Karl Thomä & Cie., dedicated to the production of opium, an extremely valuable component for the manufacture of painkillers.

Albert Boehringer was not only remarkable for his research work. He was also a pioneer in the implementation of measures to promote workers' well-being. Among other efforts, the first medical insurance policies were put in place in 1902, followed by pension plans in 1912 and cafeteria service in 1917. When Albert died in 1939, several members of the family were serving on the company's Board of Directors: his nephew, Robert Boehringer, his sons Albert and Ernst Boehringer, and his son-in-law Julius Liebrecht. Upon the death of their father, Albert and Ernst took charge of the management of the company, which already employed 1,500 people. The company, with the second generation at the helm, continued to expand and opened a new facility for the production of caffeine in 1942. However, authorities of the Third Reich forced the company to move the production of certain drugs to a new facility, located in Biberach an der Riss, just one year later. In 1945, four days prior to the U.S. occupation, the factory in Ingelheim closed its doors for three months.

After World War II, production was resumed in the Ingelheim plant and two new subsidiaries were opened that helped boost diversification of the business. In 1946 CELA Landwirtschaftliche Chemikalien GmbH was founded, a company dedicated to the production of pesticides and, in 1948, Olivin was created, for the production and sale of cosmetics. CELA eventually merged in 1972 with the German company Merck and was sold in 1987. In 1955 a new division was created, dedicated to animal health, which was later converted into a subsidiary specializing in veterinary medicine: Boehringer Ingelheim Vetmedica GmbH.

Starting in the mid-1950s, the group began to develop an international

presence. Its first subsidiary was established in 1948 in Vienna, to be followed by others in Spain (1953), Italy (1955), Brazil (1956), Japan (1961), Venezuela (1972) and Canada (1972). During these years, the launch of new drugs for the treatment of cardiovascular, respiratory and gastrointestinal diseases was of particular importance. Among them, one of the most noteworthy was Actilyse, released in 1987, which constituted the first ever thrombolytic therapy for heart attacks.

After the death of the Boehringer brothers, their brother-in-law, Julius Liebrecht, was appointed chairman of the Shareholders' Committee in 1965. The third generation of the family joined the company shortly afterward: in 1967 Hubertus, Julius Liebrecht's son, joined the company and was appointed chairman in 1971, along with Wilhelm Boehringer, son of Albert Boehringer Jr., who managed the Production and Technology division until his death in 1975. With the arrival of the new generation, the company began structuring its foreign subsidiaries under the parent company Boehringer Ingelheim GmbH. As far as the local market was concerned, activities were grouped into the company Boehringer Ingelheim KG, founded in 1981. The pharmaceutical business was also reorganized years later and, following the merger between Boehringer Ingelheim KG and Dr. Karl Thomä GmbH in 1998, Boehringer Ingelheim Pharma KG was created.

The national and international expansion of Boehringer continued into the 21st century. New production plants were opened in Germany and other companies were acquired, providing a renewed impetus to the diversification of the business. The group currently owns 140 subsidiaries and 20 production facilities throughout the world, with a workforce of over 46,000 people. Its motto "Value through Innovation" is the cornerstone on which its corporate vision and principles are built. The group is currently divided into two divisions: Human Pharmaceuticals and Animal Health. In 2012 it obtained net revenues of €14.69 billion, 93% of which came from Human Pharmaceuticals. That same year, the substantial amount of €2.8 billion was reinvested in R&D. In 2007 Christian Boehringer, a member of the family's fourth generation, was appointed chairman of the Shareholders' Committee, a body that protects the family's interests. Today, the Boehringer family continues to control 100% of the company's capital.

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Robert Bosch. 1886

Robert Bosch was born in 1861 in Albeck, a village north of Ulm, Baden-Wurtemberg. He began his professional career as an apprentice in a mechanic's workshop. Upon completion of his apprenticeship, he left his home town to work in various German, U.S. and U.K. companies. When he returned to Germany in 1886, he established a "workshop for precision mechanics and electrical engineering" with a capital of 10,000 marks – taken both from his savings and an inheritance from his father. Initially the company had two employees – a mechanic and a messenger boy – in addition to Bosch himself, who carried out the precision mechanics and electrical engineering work. However, the company failed to get off the ground and Robert was forced to take out a loan to modernize his tools and pay the workers.

The construction of a power plant in Stuttgart in 1885 gave the company its first boost and Bosch won new contracts for the installation of electrical circuits. Two years later, the company designed the first low voltage magneto ignition device. The "ignition apparatus" was a decisive contribution to perfecting the automobile and a key milestone in the company's development. Four years later, magneto ignition devices accounted for 50% of the workshop's revenue. However, the device was not suited to more powerful engines, like the ones used in vehicles and motorcycles. The system was neither reliable nor safe for that type of use, so Bosch and his partner, Arnold Zähringer, designed an innovative magnetic ignition that could function at high speeds. They used a De Dion-Bouton three-wheeler, provided by Frederick R. Simms. This solution, a major advance with respect to the previous devices, marked the beginning of the company's large-scale international expansion. The device continued to be perfected over the years by an

engineer named Gottlob Honold. In 1902 the first magneto ignition with spark plugs was introduced, paving the way for the development of truly revolutionary engines some years later.

In 1898 the first Bosch office was opened abroad, in the United Kingdom, under the management of Frederick R. Simms. One year later offices were opened in France and Austria-Hungary. The rapid growth of the firm made it necessary to move to a larger facility; a new factory was opened in Stuttgart and new production facilities were opened abroad. In 1905 Bosch opened a factory in Paris: the Compagnie des Magnétos Simms-Bosch. One year later, Robert Bosch New York Ltd. was founded, the first branch on the American continent. After just a few weeks it had already signed million-dollar contracts with the leading U.S. automotive companies. In 1912 a production plant was built in Massachusetts. The opening of these facilities was followed by others across the five continents. This considerable international growth was backed by other organizational changes, such as the creation of new departments and improved working conditions, in addition to continuous innovations and product improvements.

After cementing a position in the international market, Bosch began to diversify its product range. From 1909 to the mid-1930s, new products were constantly being launched; lubrication pumps, electrical systems with lighting for automobiles, injection pumps and gasoline engine injectors, power drills and refrigerators, among many other products, completed the firm's catalog.

World War I was a turning point in the company's history. The military conflict dealt a tough blow to the company, which lost many of its key markets, and several of its offices were expropriated. In 1917 the company became a joint-stock company (Robert Bosch AG). The founder reserved 51% of the capital for himself, while the remaining 49% was assigned to the rest of the managers. After the war, Bosch was reorganized and it rebuilt its position in the international markets. To a large extent, this early recovery was possible thanks to an agreement with its leading competitor, Eisemann-Werke AG, another German company manufacturing practically the same range of products as Bosch. Faced with the threat of strong international competition, the two companies decided to reach an agreement to divide up

the principal markets between them. Bosch was responsible for manufacturing automotive accessories and Eisemann-Werke was dedicated to specialized products for police, firefighters and railroads. In addition, the companies decided to combine their production operations and raw materials purchases under joint management. In 1926 Bosch acquired all of the shares of Eisemann-Werke and the two companies eventually merged.

The 1920s were characterized by a considerable increase in the company's competitiveness due to numerous innovations in its products and the streamlining of its production processes. The crisis in the automotive industry in 1925 also called for the implementation of stricter streamlining measures. The company attempted to offset the decline in its main industry by seeking out new markets. In the words of Robert Bosch, the company had to open up to "greater diversity." Through the acquisition of various companies and the creation of three new production lines, Bosch went from being a manufacturer of automotive components to becoming a diversified electrical engineering group. The following significant events are worth pointing out as representative of the period: the founding of Bosch Service in 1921 (a franchise network specializing in automobile repair); the acquisition of the Junkers & Co. GmbH gas boiler plant in 1932; and the launch of new products such as electric hair trimmers, power drills, refrigerators and the first movie cameras and projectors.

In 1926 Robert Bosch, weakened by health problems, transferred management of the company to a committee formed by Hans Walz, Hermann Fellmeth and Karl Martell Wild, three non-family members. With the passing of the years, Hans Walz eventually took over for Robert Bosch, who died in 1942. In 1937 the company adopted the legal form of a limited liability company (GmbH) to avoid its expropriation by the National Socialist government – to the extent it could be avoided. The start of World War II once again caused the loss of some factories and a downturn in production capacity. At the end of the military conflict, Robert Bosch's collaborators and all the workers dedicated their efforts to the difficult task of rebuilding a company that had been reduced nearly to ruins. Little by little it began recovering its production capacity, although not without some serious difficulties.

In the 1950s the company managed to recover its position in the international markets thanks to the excellent contacts fostered by Robert Bosch in earlier years. It was the beginning of a new period of growth and expansion for the company, which by 1956 had established a presence in over 130 countries. Of these countries, the United States was where the greatest efforts were needed, since Bosch had lost all of its trademark rights and could not recover them until 1983. In other markets, recovery was easier and faster, and gradually the company managed to expand both its commercial network and the international organization of its production. At the same time, Bosch continued to invest in innovation and the development of new products in different business units. An innovative line of household products was soon created and the first gasoline injection systems and hydraulic devices were produced, at the same time as numerous advances were being made in electronics. In short, by the end of the 1960s the company had once again become a diversified group, placing priority on perfection, quality and technical excellence.

This spectacular growth was accompanied by a necessary corporate restructuring. The company had grown to such an extent that it could no longer be managed without more decentralization. As such, in the 1970s the company was split into four independent units, divided according to type of activity. A new R&D division was also created, with a firm commitment to promoting technological development over the following years. The innovations in the group were accompanied by important acquisitions of technology and new companies, which allowed for expanding the portfolio of products and facilitated entry into markets in other sectors and other countries. From the onset of the 1970s, the growth experienced by Bosch in automobile electronic systems was particularly significant. The company was a pioneer in the introduction of new mechanisms, such as the Jetronic electronic gasoline injection system (1967), the electronically controlled ABS Antilock Braking System (1978), the first navigation system for cars (1983), and the world's first ESP – Electronic Stability Program (1995), to prevent vehicles from skidding.

In 1963 the company took a new direction in the management sphere. When Hans Walz turned 80 years old he gave up his position as chairman

and it was taken over by Hans L. Merkle. Walz's last mission with the company was to fulfill Robert Bosch's wishes: the creation of a foundation. In 1964 the trust company Vermögensverwaltung Bosch GmbH, founded in 1921, acquired the majority of the company's capital. In order to highlight its public utility status, in 1969 the company changed its name to Robert Bosch Stiftung GmbH (Robert Bosch Foundation), which handled distribution of the company's dividends according to the founder's wishes. This company currently holds 92% of the group's capital, while the remaining 8% is in the hands of the Bosch family. During the recession at the end of the 1970s the automobile electronics division played an important role in the company's growth.

In the first years of the 21st century, the firm continued to acquire and integrate a number of state-of-the-art companies under its structure. It also progressed in entering new markets, especially in Eastern Europe. The company is currently the world leader in technology and services. The group includes the company Robert Bosch GmbH and a total of 350 subsidiaries spread across 60 countries. It also has an extensive commercial network, with a presence in nearly 150 countries. This solid commercial and production structure is the foundation for its future development. In 2012 the company's revenues reached €52.5 billion.

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Oetker Gruppe. 1891

The Oetker Group was created in 1891 in the back room of a pharmacy in Bielefeld, North Rhine-Westphalia. There, two years later, in his free time, Doctor August Oetker developed a baking powder he called Backin. This new leavening agent guaranteed excellent results and improved on the properties of what was already on the market, which could not be stored and which added a distinctive flavor. The young pharmacist sold his baking powder in paper packets with just the right amount needed to add to one kilogram of flour. This, together with its high quality, made Backin a complete success. Part of this success was due to the advertising efforts intuitively developed by the product's creator. Through the publication of recipes in newspapers and the distribution of a small free sample to potential customers, Doctor Oetker managed to put together a broad customer base and to associate his name with guaranteed exceptional quality. As a result, he was able to launch new products on the market (such as dietary starch) and to begin exporting. In 1900 production had to be moved to a factory in Lutterstrasse, on the outskirts of Bielefeld, which continues to be the company's headquarters today.

August Oetker died in 1918, two years after his son was killed during World War I. As a result, the second husband of his daughter-in-law, Doctor Richard Kaselowsky, took over the company in 1920. At that time, the company already employed 600 workers. Under Kaselowsky's management, the company continued the expansion and internationalization process and implemented innovative advertising techniques. To ensure the company's survival Kaselowsky decided to diversify the business, investing in companies unrelated to the food sector. The firm was able to carry on despite the global

crisis, rising inflation and the difficulty in obtaining raw materials during the Third Reich. The latter was due – to a certain extent – to preferential treatment from authorities regarding resource distribution.

Rudolf-August Oetker, the founder's grandson, took charge of the recovery and reconstruction of the company after his father died close to the end of the Second World War. In the following years, the company cemented its diversification and expanded its range of products and services while consolidating the general structure of the group. Among other efforts, a majority holding was acquired in Hamburg Süd – a company founded in 1871 dedicated to transport between Europe and South America – and its management was taken over. Today, transport represents the most important division of the group and Hamburg Süd is one of the leading private German transport companies. Regarding its main line of business, the company made its first venture into the frozen food sector when it launched its first frozen pizzas in 1970; shortly after came frozen desserts.

In the 1980s, Rudolf-August Oetker was succeeded by his son, H.C. August Oetker, appointed chairman of the Board of Directors. He participated in the group's business until his death in 2007. Richard Oetker, his youngest son, is the main shareholder in Dr. August Oetker KG and chairman of the Executive Board of Dr. Oetker KG, the parent company. He has been a member of the Board since 1996.

The fourth generation of the family at the head of the company has continued its expansion, adapting it to changing consumer tastes. The intense activity undertaken in previous periods made reorganizing the group necessary, since its structure was not clearly defined. Dr. Oetker focused efforts on its main business segment – in addition to maintaining the expansion and internationalization process – in order to strengthen its competitiveness and leadership capacity. This was achieved through the acquisition of German and foreign companies as well as internal growth. As a result, the company, which is still managed by the founder's great-grandson, is currently a leader in the frozen pastry, frozen desserts and frozen pizza sectors.

The company is fully owned by the family, which prides itself on putting the interests of the company before the family's. Such an attitude has

helped maintain the business's necessary financial independence for its expansion. The group, the parent company of which is Dr. Oetker GmbH, encompasses several hundred companies in diverse sectors, particularly the food sector. It is grouped into six divisions: food; beer and non-alcoholic beverages; wine, sparkling wines and liqueurs; transport; banking; and miscellaneous. The group is estimated to employ over 26,000 people worldwide, 43.8% of which correspond to the food division. In 2012 net sales reached €10.94 billion, an increase of 9.3% with respect to the previous year.

In the food division, the Dr. Oetker catalog consists of more than 3,500 products, with production facilities throughout Europe as well as in Canada, Brazil, Argentina, South Africa, India and Australia. The beer and non-alcoholic beverages division focuses primarily on the domestic market and includes various brands. Radeberger warrants special mention among them as the first German beer to be brewed using the Pilsner method. In the wine division, the leading company is Henkell & Co. Sektkellerei KG. The transport division includes several maritime shipping companies. Hamburg Süd stands out for its size and importance. It is headquartered in Hamburg, owns one of the largest maritime transport fleets in Germany and is one of the largest shipping companies internationally. In the banking division one of the most noteworthy is Bankhaus Lampe: a private bank founded in 1852 in Minden, North Rhine-Westphalia, which was taken over by the group in 1949. The division devoted to miscellaneous interests includes hotels and the group's advertising agency, Dr. Oetker Verlag.

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Miele. 1899

Miele was founded in 1899 by Carl Miele and Reinhard Zinkann in Herzebrock, North Rhine-Westphalia. At that time, the country had become one of the leading world powers due mainly to the technological advances of the Second Industrial Revolution and the economic growth achieved following political unification. The company was initially created to manufacture cream separators, but one year after its establishment the two founding partners began to design and produce washing machines. This new activity coincided with a period of considerable improvement in European standards of living, associated with the demands of the workers' movement and the birth of the middle class. At the time, clothes were still washed by hand. To make the task easier, the company aimed at offering a product that could substitute manual labor.

The first washing machines were very similar to the cream separators manufactured by the company and, although they did not replace manual labor entirely, they were well received on the market. The increase in sales led to an increase in the number of employees according to demand. Three years later, Miele launched a new model with an improved mechanism. In 1911 the company released its first electric washing machine and in the same period it experimented with manufacturing automobiles.

The philosophy of Miele's founders was based on the development and sale of durable, high-quality products at high prices. Throughout its history, Miele always aimed to fulfill these objectives, which went a long way toward positioning the brand among the best rated in the household appliances market.

Starting in 1907, Carl Miele and Reinhard Zinkann decided to restructure the company. They established four regional offices and a number of factories, which allowed Miele to close the production circle; the company now had the capacity to produce all the parts used in its products. It also allocated considerable resources to employee services; its staff included over 500 people at the beginning of World War I. Miele stood out as one of the first companies to build housing and create pension plans for its employees.

One of the keys that helped Miele overcome the difficult years between wars and the Great Depression was its constant investment in innovation. This innovative drive had always been encouraged by the company's founders, who controlled the company until their deaths. Carl Miele died in 1938, followed by Reinhard Zinkann one year later; at that point, Miele had 2,700 employees and manufactured around 2,000 units daily in several countries worldwide.

The founding partners were succeeded by their two sons, who remained under the supervision of one of the company's most trusted executive managers for the first several years. The arrival of this second generation coincided with one of the worst moments in modern German history: World War II. The German government ordered Miele to dedicate a large part of its production to military purposes and, consequently, the production of household appliances was cut by more than half. In addition, during the final battles of the war most of the Miele factories were seriously damaged by the Allied forces. Therefore, by 1949 the company's production capacity was considerably reduced in comparison to that of the prewar era. Nevertheless, the reconstruction of the country breathed new life into the company starting in the 1950s, when washing machines, which had traditionally been installed in basements, moved into people's living quarters. In order to meet the demand for kitchen appliances, Miele expanded its production capacity and entered into a new emerging market: kitchens with built-in cabinets. Following a policy of horizontal integration, instead of selling just one appliance the company opted to sell entire kitchens equipped with various electrical appliances.

In the mid-1980s third-generation family members moved the company in a new direction by accelerating the internationalization process. During

that decade, Miele opened new stores and offices in Australia, South Africa, Ireland and the United States. Over the next 20 years, some 30 countries were added, including a number of countries in the Asian continent.

The fall of the Berlin Wall and the reunification of Germany facilitated reorganization of the company. While many companies decided to relocate their production to countries with lower labor costs, Miele chose to concentrate all of its production in its home territory. The outsourcing trend did not affect the brand's operations; it was committed to high-quality manufacturing in the country of origin, despite high production costs. The company achieved its goal thanks to one of the focal points of its strategy: high production standards, which guaranteed longer lifespans for its products. The brand needed to identify the strategic options that would ensure sustainable growth without losing sight of its values or sacrificing market share.

In the 1990s Miele's sales continued to grow and, for the first time, they surpassed the €1.5 billion mark, most of which came from exports. Managed by fourth-generation family members after a history of over 110 years, Miele continues to be owned by the two founding families, who represent more than 60 shareholders on the Board of Directors. With more than 16,000 employees and stores in 37 countries, it is one of the largest firms in the sector. In 2012 it obtained revenues of €3.15 billion.

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HELM. 1900

In 1900 Karl Otto Helm founded HELM in Hamburg. In its early years, the company was dedicated to the import and export of various types of merchandise. Fifty years later it was acquired by Hermann Schnabel. Following the change of ownership, HELM reoriented its business activity to focus on the chemical products market; this business was the foundation for its subsequent success.

During the 1960s the company began to expand internationally, a step that was both necessary and decisive for encouraging its commercial activity. In 1962 the first subsidiary was founded (HELM Skandinavien A/S) in Copenhagen. Soon afterward the company crossed the Atlantic and established itself in Mexico City under the name HELM de México, S.A. In 1967 these two subsidiaries were joined by HELM Japan Ltd., which served as the gateway for operations into the Asian market.

At the same time the family business began to diversify its activities and enter into new lines of business. In 1973 it founded Kraeft Logistik GmbH, which helped strengthen the logistics business in the pharmaceutical products segment. In 1979 HELM Düngemittel GmbH was founded, a subsidiary specializing in the fertilizer market. One year earlier, the company had become a public company, taking on the name HELM AG.

In 1984 Hermann Schnabel, who had managed the company for 34 years, passed the baton to his son Dieter, who was appointed chairman of the Board of Directors. That same year the company entered one of its most successful businesses: commercialization of methanol from Trinidad & Tobago. Currently, HELM owns five plants there, which produce 4.1 million metric tons of methanol annually.

In the 1990s HELM consolidated its position in the market. It not only expanded its activity, it also designed new IT tools to facilitate business transactions. Additionally, it made progress in the vertical integration of its business and began manufacturing some of the products that it would later market. Starting in 1993, Calcitonin was the first drug to be entirely produced and sold by HELM. Shortly afterward the company developed its first phytosanitary products, intended to combat a variety of plant pests and diseases. More recently, it added methanol, acetic acid and vinyl acetate to its product portfolio. Production for the latter was set up in foreign facilities – in Saudi Arabia – in the form of strategic partnerships and joint ventures with local companies.

The establishment of partnerships was also the preferred manner for strengthening the company's commercial division. Particularly noteworthy in this respect was the creation in 1992 of a joint venture with the Chinese companies Zhejiang Chemicals & Light Industry and Ningbo Port Authorities for the installation of a warehouse terminal for chemical products in the Port of Ningbo, China. Six years later, another terminal of this type was established in Cochin, India, following the same strategy. The German company Mider and the Argentinian company Amarin Technologies, S.A. are some of the other firms that have entered into strategic agreements for marketing methanol and pharmaceutical products, respectively. In 2009 the group founded HELM Medical GmbH, dedicated to the commercialization of medical products.

In 2012 a new change took place in HELM management; Dieter Schnabel ceded his position as chairman of the Board of Directors to Hans-Christian Sievers and was appointed chairman of the Supervisory Board. Stephan Schnabel, a third-generation family member, also joined the company. He is currently the manager of the plant protection segment.

With over 100 years of commercial experience, today HELM AG is a benchmark in the international distribution of chemical products. In 2012 it obtained revenues of €9.98 billion and had a workforce of over 1,400 employees. HELM AG operates in five main sectors – pharmaceutical products, human nutrition, animal nutrition, industrial chemicals and agrochemicals – and has over 90 subsidiaries in more than 30 countries. The

group is structured into five large divisions: marketing, distribution, logistics, project production and project development, through which a complete portfolio of services is offered. The distribution division guarantees delivery of products to customers *just in time* by maintaining a high level of stock in inventory. The company also stands out for providing logistics solutions based on a dense transport and warehouse network. In addition, through its project development division it provides advisory services to clients on the different stages involved in launching a product.

HELM AG follows a strict profit reinvestment policy, thus guaranteeing that all income remains in the company. The family sees this as the best approach for maintaining the company's independence and control over decision making.

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Brose Company. 1908

Max Brose was the son of the owners of a car body manufacturing company in Wuppertal, North Rhine-Westphalia, where he witnessed first hand the progress being made in motorization. This encouraged him to open an automotive accessories store in 1908. This business was the origin of the Brose Company, which Max Brose maintained until World War I. At the time war was already looming, the company was selling spark plugs, head-lights and tools under the Atlas and Mabro brands.

After the war was over, Brose met Ernst Jühling and together they founded Metallwerk Max Brose & Co. The new company not only sold parts, it also expanded its activity to the production of automobile components; in 1919, Brose and Jühling patented the first window lift system. Year after year, the range of products continued to grow to include parts for motorcycles and motorboats, as well as windshield wipers, speedometers and shock absorbers.

After opening their own automotive parts factory in Coburg in 1924, the entrepreneurs came up against the political and economic crisis in Germany. Although the company came near to disappearing, it soon received a strong boost when it participated in the Berlin Motor Show at the end of 1924. At the same exhibition four years later, Metallwerk Max Brose & Co. presented the first mass-produced mechanical window winders, which were patented that same year. This new technology was marketed in 1928 under the Atlas brand and was sold to car manufactures such as Daimler-Benz, Volkswagen, Borgward and Lloyd. The product was a huge success and demand quickly soared.

In the following years, the company diversified production. Metallwerk Max Brose & Co. began to manufacture dental fillings and sturdy, high-quality 20-liter canisters. Just a short while later, the company designed a typewriter called Brosette and launched it on the market. However, in 1959 Brose sold the machinery used in its production in order to focus on its main line of business – automobile components – and take advantage of the growth of the German automotive industry.

In the 1950s the company supplied its products – in particular the mechanical winders – to companies such as Mercedes, Ford, Opel and MAN. Efforts in this new period were directed towards the modernization and expansion of production. In response to the growing demand for comfort and safety in driving, in the 1960s the company began to mass produce the first electric windows.

Max Brose died in 1968 and his daughter Gisela took charge of the business. At the time of the founder's death, the company had a total of nearly 1,000 workers and generated a turnover of 5.5 million German marks per year. In 1968 it added a new and successful production line: seat adjustment mechanisms, which were improved upon during subsequent years. The first clients to implement these advances were the automotive companies Audi and Mercedes.

Just three years after her father's death, Gisela handed over control of the family business to her nephew Michael Stoschek. He was forced to deal with the energy crisis of the 1970s and increasing competition due to growing globalization. His constant efforts to innovate and improve products proved to be the key to overcoming a series of difficult years. The company was a pioneer in the introduction of electromechanical technology, which allowed for adjusting the distance, height and inclination of seats. Clients began incorporating this technology in 1979. In the 1980s Brose modernized its window systems, which were now controlled centrally, and introduced new safety measures. This was the company's first venture into the field of mechatronic engineering, a discipline that combines mechanical engineering, electronics, control engineering and computer science.

Another novelty introduced by Brose during this period was the production of modular car door systems. This new system responded to the

challenge of combining and synchronizing technology and logistics. Brose was not only responsible for producing the components for the doors; they also had to be integrated correctly and at just the right time into clients' assembly lines. This system brought about an authentic revolution in the market and paved the way for new production trends and systems in the sector, where efficiency, speed and accuracy became fundamental concepts.

At the end of the 1980s the company began its internationalization, opening its first production facilities in the United Kingdom, Spain and Mexico. In addition, Brose set up sales and engineering offices in Detroit, Tokyo and Paris. The growth in the volume of operations also made it necessary to open a new factory in Germany, which housed the production of modular doors. This plant incorporated state-of-the-art technology to manufacture and supply the doors just in sequence with the assembly lines. During the following years, more innovations and improvements were introduced into the production line and the product range.

In 2001 the corporate image was standardized and applied to the entire company with the aim of reflecting the corporate principles and values of openness, transparency and leadership. In addition, Brose redoubled its efforts to increase production efficiency through the optimization of resources and the automation of production processes. In 2005 Michael Stoschek handed over his position as CEO to Jürgen Otto. For the first time in its history, the company was managed by someone who was not a family member. However, Michael Stoschek continues to have a presence in the company through the Shareholders' Committee, the body which represents the family's interests.

In recent years, the growing demand for environmentally friendly vehicles has provided a new business opportunity. Accordingly, Brose is focusing its objectives on taking advantage of this market niche and contributing, with its innovations, to reducing fuel consumption and CO₂ emissions from vehicles. In 2012 the company obtained profits of €4.5 billion and made investments totaling €311 million. It is estimated that the company currently employs some 20,500 people. Recently the company has encouraged competition between its different plants, by virtue of which it intends to increase efficiency by 5% annually.

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Austria

Riedel. 1756

The name Riedel began its association with the glass industry under Johann Christoph Riedel, the dynasty's first-generation founder. Known as the "Ur Riedel" (the original Riedel), he was a brilliant salesman who traveled across Europe selling glass. The company itself, however, was founded some time later. The first glass factory began operations in Bohemia on May 17, 1756, under the direction of Johann Leopold Riedel, grandson to Johann Christoph Riedel. The Seven Years' War (1756–1763) was the initial reason behind the birth of the business: large quantities of glass were needed to replace the windows in buildings that had been damaged during the conflict. The success of the business was rooted in a technique that was revolutionary at the time, which allowed stained glass to be replaced by clear glass window panes.

After Johann Leopold Riedel died in 1781, his eldest son, Anton Leopold, took over control of the company. The historical context at the time provided an opportunity for reinventing the business. Anton was faced with handling the crisis caused by the Napoleonic wars, which had led to currency depreciation and interruptions in international trade. As such, after investigating new forms of distribution and glass production processes, he decided to open a factory oriented toward embellishing glass. This marked the beginning of a new focus for the business; the company left off manufacturing window panes to begin making a name for itself as a producer of exclusive luxury products.

Franz Xaver Riedel, Anton's son, was unusually talented in the techniques of glass engraving. He was also a competent business manager and, when his father died in 1821, he took over management of the company.

Drawing on his knowledge of the visual arts, Franz Xaver was able to innovate by introducing an entirely new technique; it consisted of adding new colors to glass by using uranium, creating yellow nuances and bright green tones. This was combined with the popularization of “notions” (colored glass beads, buttons and jewelry), which the company began manufacturing using the aforementioned technique. By the mid-19th century, Riedel had become a predominant corporation in the glass industry.

Franz Xaver died in 1844 without any male heirs. Concerned with succession in the business, in 1830 he had brought in his nephew Josef to learn in depth about the phases of glass production. Four years before his death, Franz Xaver solved the succession problem by marrying his nephew Josef to his daughter Anna Maria. Josef proved to have good business sense and he gave a new boost to the company's expansion. Concurrent with the Industrial Revolution, he introduced continuous technical improvements to the business and took advantage of all the opportunities offered by the historical context. In the 1840s, he moved the factories to Unter-Polaun and gradually left behind traditional glass manufacturing methods; old wood ovens were replaced with coal-fired gas ovens. The arrival of the railroad in 1877 made it possible to import coal, which was more efficient to burn and cheaper than wood. This new means of transportation was also a faster and safer way to ship products to clients without damaging them. In this way, family workshops in areas as far away as India and America could be sent the rough glass for finishing. This form of distribution meant that Riedel did not become a familiar brand until well into the 20th century, since small-scale dealers would put their own names on the products they sold. Despite this, Josef had built a glass-making empire no one could compete with.

In 1894 the patriarch passed away and his son, Josef Jr., a member of the seventh generation, took over the company. As a chemist and an engineer, he knew how to apply his professional knowledge to the family business, and he introduced an important innovation; he created a machine to automate the extraction process using rods and tubes to produce beads with diameters of one to four millimeters, which allowed for the mass production of a series of 600 glasses in different colors. As a result of this process, the gap widened

between Riedel and its competitors, and the company managed to ride out the drop in sales caused by the First World War.

Walter, Josef Jr.'s son, inherited the business in 1924, at a time when the company was showing large profits. Bohemia had become part of Czechoslovakia in 1918, and Walter had become a Czech citizen. Twelve years later, the Nazi regime occupied Czechoslovakia, which led initially to a period of prosperity for Riedel; the company was the leading producer of perfume bottles, glass gift items and candelabras. However, shortly thereafter, the Nazis ordered the company to stop production and begin manufacturing military components, namely vacuum tubes for radar displays. Walter, who was a talented mechanic, managed to achieve a great feat that seemed impossible: increasing the diameter of the vacuum tubes from 38 to 76 centimeters.

In 1945 the Russians took Unter-Polaun, which led to nationalization and the temporary disappearance of Riedel. The Soviets sent Walter Riedel to Russia, forcing him to sign a five-year contract to help rebuild the Russian glass factories. When the contract was up, Walter attempted to leave the country, but he was sentenced to 25 years in prison for allegedly informing the Austrian embassy about his work. It was not until five years later that he was able to return to Austria.

The Riedels managed to rebuild the company as the result of an intimate friendship with the Swarovskis. This famous family, also historically associated with the glass industry, took in Walter Riedel and his son Claus and, in 1956, gave them a loan so they could acquire the glass manufacturer Tiroler Glashütte, a bankrupt company in the small city of Kugstein, where the current Riedel headquarters are still located.

The rebirth of the family business at the hands of Claus Riedel was governed by the same principle that led his ancestors to prosperity: innovation. Under Claus' direction, Riedel started down a new road with the manufacture of glassware, especially high-quality delicate wine glasses, without ornamentation. In the catalog for 1961, for the first time Claus presented new wine glasses, larger than traditional options, with an exclusive design aimed at capturing the different nuances in wine. That was the birth of his masterpiece, the Sommeliers collection, a revolutionary

model that changed the wine glass concept and set Riedel apart from its competitors more than ever.

Today, Riedel is run by Georg Riedel, a member of the 10th generation of family owners of the business. Thanks to him, the company began delving deeper into the concept of specialization, creating specific designs for each grape variety. In addition, the automation of the production process meant that wine glasses became more affordable for clients with less purchasing power. All of this was combined with widespread internationalization; the company now has a presence in 125 countries.

Georg Riedel's son and expected successor, Maximilian, manages the North American division of the family empire. His handiwork is responsible for the company's first online shop, its presence on social networks, the creation of beautiful decanters and the manufacture of wine glasses for restaurants. Likewise, he has implemented effective sales techniques targeted at wine lovers: each year, more than 20,000 consumers attend the wine-tasting sessions organized by the company.

Riedel has undergone radical changes during the 100-some years of its history, though it has always revolved around the same foundation: innovation and specialization. Generation after generation, the company has been able to pass along its expertise, captured in the quality, utility and beauty of its products. Today, the company employs more than 1,200 people and manufactures some 50 million glassware items each year.

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Bene. 1790

Although Bene's origins in craftsmanship and business date back to 1790, it wasn't until 1951 that the Austrian company began manufacturing furniture on an industrial scale. Since then, Bene has been the undisputed leader in the Austrian market and it is currently the country's most popular family business.

Ahead of the geopolitical changes that would cause a profound transformation of the map of Europe and its economic future, in 1988 Bene opened its first offices in Moscow, capital of the Soviet Union at the time. This was the first step toward the establishment of a prosperous international business network, which was strengthened during the 1990s and which helped the family business reach the position of leadership it enjoys today. The increase in production that came with international expansion led to the relocation of the company's headquarters to a larger plant, located in the Austrian city of Waidhofen an der Ybbs.

During the 1990s, the company cemented its presence in the Central and Eastern European markets. Bene opened points of sale in the Czech Republic, Hungary, Poland, Romania, Slovenia and Slovakia; and it acquired the German group Objektform, a retail distribution chain. The purchase of this German company marked the beginning of Bene's expansion into Western Europe, which was consolidated during the initial years of the 21st century through the incorporation of other chains from France and Benelux.

In order to supply its growing commercial network, the group needed to increase its capacity for production again. With a large-scale investment (approximately €22 million), Bene expanded the surface area of its main factory in Waidhofen from 9,000 m² to 40,000 m². The resulting remodel,

commissioned to the well-known architect Laurids Ortner, transformed the old factory into one of Europe's most artistically significant and innovative industrial buildings.

Bene's international trajectory continued into the new century. The company expanded to other European markets through acquisitions and strategic alliances with local companies. In 2003 Bene Nowy Styl was born from a joint venture with a Polish company. In other countries like Croatia and Serbia, the company set up new commercial offices. Around the same time, Bene also moved beyond the borders of Europe into Dubai, creating its own network of points of sale. In 2004 an agreement was signed with a family business from Japan, Kokuyo Co. Ltd., dedicated to the design and manufacture of office furniture, which marked the beginning of Bene's expansion into the Asian market.

In 2004 the company's need for capital led to the entrance of a new financial partner: the Austrian investment company Unternehmensinvest AG (UIAG). Two years later, Bene became a limited company (Aktiengesellschaft) and was listed on the Vienna stock exchange. This marked UIAG's exit from Bene's share capital and its Board of Directors. More recently the company's international expansion process has reached new countries. Bene's dense commercial network has extended into markets in Bulgaria, Ukraine, Spain, Ireland and Kuwait. Bene has also grown in the countries where it was already present, and which constituted strategic markets, as is the case with Germany. In 2006 following the acquisition of the Till Group, a former trading partner, Germany became the second most important market for Bene, after Austria.

Bene is currently among the top 10 companies in the European office furniture sector, and it stands out for its innovative solutions regarding ergonomics, utility, performance and the efficient use of space. The brand has been established as synonymous with quality, practicality, modern design and innovation. This Austrian family business offers its clients a broad portfolio of services, ranging from the design and production of office spaces to consulting and business advice. Bene's success is rooted in its strong business network, an aspect the company fostered from the very beginning. The current structure encompasses an efficient distribution network which

supplies 85 points of sale in 35 countries. The company employs 1,343 people. As it could not escape the effects of the economic crisis, it showed losses for 2012. However, the company is implementing measures intended to help increase its market share, cut costs, refinance its debt and increase profits in the near future. To this end, Bene plans to focus its efforts on its strongest current markets, Austria and Germany, and those with the strongest growth potential, such as Eastern Europe and the Middle East.

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Ottakringer Brauerei. 1837

The Ottakringer brewery was founded in 1837, when Heinrich Plank received a license from the Klosterneuburg monastery to brew his own beer. This led to the construction of the first brewery in Ottakring, which was initially called the Planksche Brauerei in honor of its founder. At that time, Ottakring was an independent village on the outskirts of Vienna. However, in 1892, the emperor Franz Joseph I decided to unite the city of Vienna by annexing its surrounding settlements. Since then, Ottakring has been part of Vienna's 16th district. The name of the village was eventually also incorporated into the company name.

In 1850 Jakob and Ignaz Kuffner, two Jewish brothers who lived in Lundenburg, bought the brewery and modernized it. This change led to an enormous increase in production, which tripled over a period of just 10 years. Moreover, the younger of the two brothers, Ignaz, was named mayor of Ottakring in 1869, and 10 years later he was awarded a title of nobility. The family's last name was well recognized as a result and became very popular among Vienna residents, which gave the business an additional boost.

Handover to the next generation took place in 1882, when Moriz Kuffner took over for his father Ignaz as director of the brewery. With the turn of the century the firm became a joint-stock company, while production reached a peak of 350,000 hectoliters of beer in 1913.

With the outbreak of the Second World War and the Austrian Annexation to the Third Reich, Kuffner suffered the consequences of his Jewish origins; he was forced to sell the brewery to Gustav Harmer, a producer of liqueurs. Fleeing the Nazi regime, he sought refuge in

Switzerland, where he died a short time later. The shortage of raw materials during the war caused a significant reduction in the production of beer and Ottakringer's industrial activity was practically paralyzed. Once the conflict ended, the Harmer family had to demonstrate a legal basis for the acquisition, which had been executed for a derisory sum and under pressure from the German government. The company began production again in 1949 and, one year later, the heirs of Moriz Kuffner received a small compensation for the forced sale of the factory, which, nonetheless, remained in the hands of the Harmer family.

In the 1950s and 1960s, economic recovery took the form of a spectacular increase in the company's production of beer. During those same decades, the second generation of the Harmer family also took over the company. Under the leadership of Gustav Harmer and Engelbert Wenckheim, Ottakringer began producing two new beer brands: Gold Fassl, in 1964, and Gold Fassl Pils, in 1977. The latter was the first lager in Austria, and it was a success in terms of sales, which helped Ottakringer stand out from the competition.

After listing a considerable amount of its shares on the stock market in the mid-1980s, Ottakringer continued increasing its market penetration with the launch of new types of beer. In 1991 the company introduced its first non-alcoholic beer: Null Komma Josef, whose name refers to its low alcohol content (less than 0.5%) and which quickly became a leader in the segment. A few years later the first returnable bottles appeared, and they could be opened by twisting a stopper made of cork. This design was adapted in 2005, when the company launched a new sealing system, called Blopp, to maintain freshness.

In 2000 there was another generational change of hands at the company; Siegfried Menz took over as manager of Ottakringer and Christiane Wenckheim, Engelbert Wenckheim's daughter, was named vice president.

At present, Ottakringer is the only urban brewery in Austria and one of only a few which are still independent in the national scope. All of the company's beers are made with high-quality raw material, as required by the German beer purity law (Reinheitsgebot), and they are highly regarded by the Austrian population. In fact, the brand is so popular that the Viennese

use a special expression for canned beer, 16er-Blech, referring to Vienna's 16th district, where the Ottakringer factory is located. The company took advantage of this distinction, marketing a new type of canned beer in 2007 called 16er-Blech.

The company, known for its characteristic yellow labels and cans, offers a wide range of beers (14 in total), which are all supported by the most popular brand: Ottakringer Helles, a beer with an alcohol content of 5.2%. Ottakringer Radler, a mixture consisting of equal parts of Helles (light) beer and lemonade, is another of the company's most representative drinks. Ottakringer Bock, a beer with higher alcohol content (7.6%), can also be found in the product range, which is only made for special occasions such as Christmas and Easter. Other highly recognized brands are Dunkles Ottakringer, a dark beer; Ottakringer Schnitt, a mixture of light and dark beer; and the two types of unfiltered beer: Ottakringer Zwickl and Ottakringer Zwickl Rot.

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Swarovski. 1895

The well-known luxury brand Swarovski, the crystal product manufacturer, is the result of a history of innovation, creativity and social knowledge. Daniel Swarovski, its founder, was born in Bohemia in 1862. This region of the former Austro-Hungarian Empire was famous for being one of the main industrial centers for crystal and glass. Daniel Swarovski worked in his father's factory for years and inherited his passion for the world of crystal. After several years learning the techniques for cutting this material, the young entrepreneur invented an electric machine which marked a turning point for the industry. The device, combining techniques from Siemens and Edison, allowed for cutting crystal quicker and more accurately than manual methods. This machine was patented in 1892 and was the origin of the current Swarovski Group. The company was founded in 1895 in Wattens, Tyrol, where Daniel and his three sons set up their first crystal factory. The chosen location could not have been better; the Alps provided enough water and, ultimately, hydraulic power to run the machines. The factory began producing its first crystals in 1913, cut in a jewel shape, which were very well received by the public. Swarovski thus began as a trendsetter, which became an indelible part of the company's DNA.

Early on the company began a process of integration by creating new divisions and subsidiaries specializing in the development of different techniques to produce and process crystals. Tyrolit, the group's first subsidiary, was founded in 1919 in Wattens for manufacturing tools to process and cut crystal. In later years Swareflex and Swarovski Optik were created, which are still part of the group. Swareflex was founded in 1937 and, following the development of glass reflectors, was dedicated to road safety.

In the meantime, Swarovski Optik was created in 1949, producing precise optical instruments for hunting and nature observations.

At the same time the group was founded, the company aimed to broaden its product range; the first accessories with mounted crystals were created in 1931. This new use for glass was a real revolution in the market and led to numerous collaborations with leading fashion houses such as Chanel, Schiaparelli, Balenciaga and Christian Dior. Many of these collaborations are still ongoing.

The first crystals for lamps and candelabras were created in 1965. They were registered in 1977 under the name Strass Swarovski Crystal. The 1970s marked the beginning of the Premium product line, including decorative crystal figurines, jewelry and various accessories. The company later acquired Schonbek Worldwide Lighting Inc., a company founded in Bohemia in 1870 and headquartered in New York, dedicated to manufacturing crystals for chandeliers.

In the 1980s Swarovski had become a very valuable brand and its products were recognized for their quality, innovation and beauty. The best example to show how the company has maintained these principles was the creation of the Swarovski Crystal Society in 1987, the largest collectors' society in the world, which brings together more than 300,000 lovers of Swarovski crystals. At the same time, the company expanded its customer services with the creation of a global network of advisory centers in 2001. It also redesigned its distribution network with the launch of the new Crystal Forest concept stores in 2008, which featured an exclusive design.

Following the efforts to boost its brand image in 1995, the company opened Swarovski Kristallwelten, an indoor theme park devoted to crystal, designed by different artists. The park, located at the original site of the company in Wattens, was completed in 2003. The company undertook other advertising activities and expanded into the movie industry with the development, financing and original and artistic production of several films.

If anything has characterized Swarovski throughout its history, it is its strong commitment to innovation and constant research; in 1976 it had begun developing methods for cutting zirconia. In 2004 the company also

developed a new technique for cutting crystals to obtain more brilliance, which was called the Xilion Cut.

Currently the Swarovski group includes three companies: Swarovski Optik, which produces precise optical instruments; Tyrolit, a manufacturer of tools and machines for working metal, crystal and stone; and Swarovski Crystal Business, dedicated to the design, manufacture and sale of crystals. The group employs around 30,600 people. It obtained a turnover of €3 billion in 2012, more than three quarters of which came from the crystal division. The fourth and fifth generations of the family currently manage the company.

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Belgium

D'leteren. 1805

The D'leteren family, originally from the Netherlands, emigrated to Belgium around 1780. In 1805 after six years as an apprentice, Jean-Joseph D'leteren, founder of the family business, set up his own workshop in the center of Brussels dedicated to manufacturing wheels and carriages. After almost 30 years in the business, D'leteren died in 1831 and his sons Adolphe and Alexandre inherited the company. While the former continued with the company's original activity, the latter emigrated to Paris to learn new carriage manufacturing and painting skills. Alexandre returned to Brussels in 1849 and the two brothers founded D'leteren Frères. The association lasted just eight years.

Alexandre decided to separate from his brother in 1857 and founded his own workshop, naming it after himself, which offered new carriage painting and design services. His two sons, Alfred and Émile, joined the family business. Alfred was sent to Paris to train as a blacksmith, while Émile learned about painting in Brussels. The D'leteren family moved the workshop to the center of Brussels in 1873. Alfred oversaw the forging workshop and Émile was responsible for painting.

Alexandre retired in 1878. His two sons took over the company, which was again called D'leteren Frères. Under the direction of the two brothers the company exhibited its products at the 1880 National Exhibition in celebration of the 50th anniversary of Belgian independence. They received numerous honors, notably their appointment as providers for the Belgian royal family.

The creation of the automobile at the end of the 19th century marked a new era for the company. The brothers moved to a larger workshop in

1897, located on the Rue du Mail, and began manufacturing the first motor vehicles. This workshop, which still exists today, is now the company's corporate headquarters.

Lucien, Alfred D'leteren's son, gradually took over from his father in the years before World War I. Production grew spectacularly in 1911 after the company received an important commission from Delaunay-Belleville, a French luxury car manufacturer. After the years of stagnation caused by World War I, production recovered again. Lucien and Émile restructured the company in 1919 and gave it a new corporate name: Société Anonyme Anciens Établissements D'leteren Frères.

After Émile's death in 1922, his nephew took over management, marking the arrival of the fourth generation of the family. In the meantime, Lucien focused his efforts on the company's internationalization. Just eight years after the death of his uncle, 65% of the chassis made were exported to countries such as the United States, Argentina, the Netherlands, Spain, Portugal and Egypt.

The company's activity took a significant turn in the 1930s. It left behind the traditional manufacture of chassis in order to specialize in the importation and distribution of U.S. automobiles: the Studebaker, the Pierce-Arrow and the Auburn. The assembly of Studebaker vehicles was added to this new business area in 1935 and would become D'leteren's main activity for the next 35 years. New importation agreements were also created after World War II: with the German company Volkswagen for the distribution of the first Beetles in 1948; with Porsche in 1950; and with Audi and NSU in 1974. At the same time, D'leteren continued to expand its vehicle assembly business. A new factory in Forest took on the assembly of Studebaker vehicles in 1949 and the iconic Volkswagen Beetle five years later.

The economic recovery of the 1950s saw the opening of new business areas. D'leteren diversified its activity and took its first steps in the car rental market. This division was named Dit'Rent-a-Car. A contract with Belgian railways in 1956 enabled D'leteren to place a fleet of Volkswagen Beetles for rent at major railway stations.

Roland D'leteren, son of Pierre D'leteren and a member of the family's sixth generation, was named assistant director in 1972. Two years later the

company was renamed S.A. D'leteren N.V. That same year it began importing the first Volkswagen Golfs. After the death of his father in 1975, Roland took over the management of the company and won new importation contracts. For instance, the D'leteren Sport division started to import the first Yamaha motorcycles and scooters. In subsequent decades other agreements were reached with MBK, Seat, Skoda, Bentley and Lamborghini. In the meantime, Dit'Rent-a-Car, the rental division, acquired a majority stake in Avis Europe in 1989. This marked the beginning of D'leteren's internationalization. Thanks to Avis Europe, with more than eight million customers per year, D'leteren gained international presence in Europe, Africa, the Middle East and Asia. The holding in Avis Europe, which accounted for 59.6% of its capital, continued until 2011 when it was sold to the Avis Budget Group.

At the dawn of the 21st century, D'leteren took a step further in the diversification of its activity. It acquired the South African company Belron in 1999, dedicated to the repair and replacement of vehicle windows. It currently owns 94.85% of the company, which is present in Europe, America, Australia and New Zealand.

D'leteren still belongs to the family that created it – they own 60.7% of its capital – and it has a strong international presence. The group is divided into two divisions: D'leteren Auto, a vehicle distributor with a market share of 22%, and Belron, present in 34 countries through brands including Carglass, Autoglass and Safelite. Roland D'leteren still heads up the company as its chairman, and Jean-Pierre Bizet is the current CEO. D'leteren achieved consolidated sales amounting to €5.5 billion in 2012 with 25,000 employees, 90% of which correspond to Belron.

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Bekaert. 1880

Bekaert was born in Zwevegem, West Flanders, in 1880. Local farmers often watched how cattle moved to graze beyond the boundaries of their fields, destroying crops. Leo Leander Bekaert saw this problem as a business opportunity and founded a small company dedicated to the production of barbed wire. Although this product had already been invented, Bekaert introduced successive innovations and soon designed his own barbs, in the shape of a six-pointed star (crowns), which could be weaved into the wire. This design was patented in 1881.

In its early years the company experienced rapid expansion and broadened its product range. Gradually, they began selling new types of wire and other products for building fences, which were also coated with protective layers of zinc, improving quality and preventing corrosion.

The economic expansion of the 1920s signified the beginning of the company's internationalization; Bekaert purchased a wire drawing factory in France in 1922. The factory, which began production two years later, was located in Bourbourg, less than 100 kilometers from Zwevegem. From there, the company distributed its products throughout French territory. This was the company's first production plant abroad. In later years, investments were made in new factories such as the British Tinsley Wire Industries Ltd. and exportation began to the United States.

At the same time, Bekaert continued to expand and improve its products. It developed a new type of barbed wire called Motto in 1929, made from two wires of carbon steel with alternating torsion. A further step in the diversification of its products was made in 1932, when it began manufacturing nails at the plant in Zwevegem.

After World War II, Bekaert further intensified its unwavering commitment to innovation. New technologies were developed for processing high-carbon steel wire, as well as welded mesh, new coatings and stainless steel wire products. The postwar years also brought with them a new business opportunity, which represented a step forward in the diversification of the company. Due to orders from several tire companies, Bekaert started manufacturing steel cords in 1951, used to reinforce rubber tires. Steel cord is a high-tech product and its manufacturing process is very capital intensive. Bekaert therefore decided to open a new factory in Zwevegem, which was solely used for manufacturing this new material. Steel cord quickly became one of the company's flagship products and, in a few years, several factories spread across Belgium significantly increased its production capacity.

The early internationalization efforts undertaken in the 1920s saw their definitive steps in the last third of the 20th century. Leon Antoon Bekaert, son of the founder, made significant efforts to position the company firmly in international markets. Direct investment was the most frequently used method to achieve this. Bekaert purchased holdings in Argentinian, Chilean and Venezuelan companies, opened a representative office in Japan and, later, set up new subsidiaries in Europe.

The increase in oil prices in the early 1970s represented another business opportunity for Bekaert. It was clearly becoming a company that could thrive in harsh environments thanks to its excellent ability to adapt and constantly being on the lookout for market opportunities. Rising oil prices demanded new solutions for reducing fuel consumption. One alternative was to reduce the weight of tires. Bekaert began manufacturing increasingly lighter tires using thinner but more resistant steel cords. This new design was a real success and, in a few years, new production plants were opened in countries such as the United States, Brazil, Spain, Japan and Belgium. As a means of financing this expansion, the company, which until then had been entirely in the hands of the founding family, opened up to new shareholders and was listed on the Belgian stock exchange in 1972.

After the second oil crisis, the company was forced to implement different programs to rationalize its activities in order to become more flexible and efficient. Production was restructured into specifically designed plants

according to the requirements of each product type. At this point, the range of products Bekaert offered on the market was very extensive. Alongside its traditional steel cords, there were steel fibers, non-ferrous forged products and fibers for filtration. The initial steps toward metallization processes had even been made, a complex technique for applying coats of metal using a vacuum chamber. The level of diversification had become too complex, even more so when the special requirements and the high capital investment needed for each product were taken into account. The company decided to focus on its traditional business, steel cord, and diversification was relegated to the background. Bekaert opened new steel cord manufacturing plants in Australia, the United States, India, Turkey and Slovakia, and set up various subsidiaries in Brazil and China. In addition, a joint venture between Bekaert and Shell in 1986 led to the development of innovative applications for metal fibers in burners. Thirteen years later, this method is still used in the production of filtering systems and environmentally friendly metal fiber burners used for drying paper and other applications. In 1999 the company acquired a majority stake in Furigas, a Dutch company specializing in the production of environmentally friendly gas burners.

By the turn of the century, Bekaert had become a multinational innovative company, well versed in cutting-edge technologies. With the new millennium came other investments in several sectors, including solar-control applications and security films for windows. They were sold off when the company decided to focus solely on its flagship sector: steel cord. The economic miracle of the BRIC (Brazil, Russia, India and China) countries was a real boost, and demand boomed for the sought-after steel cord. The company sold Bekaert Fencing NV in 2005, the division which focused on manufacturing fences. The sale was a historical milestone since this business was where the company's origins lay. At the same time Bekaert strengthened its presence in the BRIC countries by opening new plants, acquiring stakes in local companies and creating joint ventures.

Currently the group is present in over 120 countries and has a broad customer portfolio from various sectors: from the automotive and agriculture sector to energy and construction. It is the worldwide leading producer of steel wire and advanced coatings and has a global production network

employing over 27,000 people. In 2012 it generated consolidated sales to a value of €3.5 billion.

Bekaert's history confirms its unwavering commitment to innovation, its strong technological expertise and full dedication to service. The company aimed to transmit these value through its slogan "Better Together," coined in 2005 to highlight its corporate culture focused on customers, communication and its commitment to employees, shareholders, customers and suppliers.

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Denmark

Maersk Gruppen. 1904

In 1904 Arnold Peter Møller, born in 1876, and his father, Captain Peter Mærsk Møller, founded A/S Dampskibsselskabet Svendborg, the shipping company that would eventually evolve into the Maersk Group. The family business, based in the town of Svendborg, Southern Denmark, was specialized in naval transportation. After only eight years of activity, it had a fleet of nine ships.

From the outset the company began to integrate vertically, to diversify and to internationalize its activities. Møller founded Odense Steel Shipyard in 1918, where its fleet was built and which remained in operation until 1966. Likewise, the first office in the United States was set up in 1919, followed by others in Japan, the United Kingdom, Thailand, Indonesia and Hong Kong. At the same time, company activities were diversified to include the transportation of various goods and the acquisition of new fleets, specifically designed to meet the company's needs. After noticing the beginnings of an increase in the consumption of petroleum-based products, Møller acquired five oil tankers, which led to the birth of a new subsidiary in 1928: Maersk Tankers, dedicated to the maritime transportation of oil, natural gas and derivatives. That same year Maersk Line was created, dedicated to transatlantic crossings, and the first route between Asia and the United States was opened.

During World War II, Maersk lost more than half of its fleet and the Pacific route was temporarily interrupted. However, the company soon intensified the construction of new vessels and, by 1946, it had a new fleet ready to face the period of expansion that came in the 1950s. At this stage, Maersk Line expanded its routes – which included Africa and the Arabian

Gulf – and acquired larger ships that were added to Maersk Tankers, and which were emblazoned with the company emblem for the first time. The shipyards were also expanded, with the creation of Lindø Shipyards, and new focus was placed on the group's diversification; Møller invested in several industrial companies, producers of plastics and other petroleum-based products.

The 1960s were characterized by an even greater diversification of the company's activity. Møller was granted a concession from the government to extract hydrocarbons from the Danish seabed in 1962. This activity led to the creation of Maersk Oil the same year, which became one of the business's main branches. Dansk Supermarked Group was created in 1964, the division of the group dedicated to retail. In addition, the company's transportation activities were expanded to include ships for transporting vehicles, bulk cargo and petroleum-based products, as well as offshore supply ships.

When Arnold Peter Møller died in 1965, his son Mærsk Mc-Kinney Møller took over leadership of the group. He also accepted chairmanship of the foundations his father had created to keep the group in family hands. These included the family foundation, the A.P. Møller and Chastine Mc-Kinney Møller Foundation and the Relief Foundation. Maersk led the group until 1993, but he remained chairman for 10 more years until he was replaced by Michael Pram Rasmussen. Mærsk Mc-Kinney Møller, born in 1913, joined the company in 1940 and was responsible for organizing and leading the fleet during the German occupation of Denmark. When he took over from his father, the Maersk Group had a fleet of over 90 ships and was already a solid, international, diversified business. Efforts to diversify the company's activity remained one of its top priorities with the arrival of the second generation. New, diverse lines of business were added: the manufacture of disposable plastic healthcare products in 1968 via the acquisition of Pharma-Plast; air transport in 1970 via the creation of Maersk Air; telecommunications services also in 1970 under the Maersk IT division; logistical solutions via the Maersk Logistics division and sea rescue activities.

At the same time, Maersk Oil, the division dedicated to the extraction of oil and gas, expanded into new business areas. The group founded Maersk Drilling Oil in 1972 – focused on the drilling industry – at the same

time it began the extraction of oil and gas deposits in the North Sea and, later, in Qatar. Maersk Supply Service, a subsidiary facilitating transportation and support for maritime operations, was also set up and the first fleet of methane tankers to transport gas was founded.

Transporting containers was one of the other new activities Maersk focused on decidedly in the 1980s. The group's first container ship, the Svendborg Maersk, was a huge revolution for international maritime cargo transportation. Containers helped them move a greater volume of goods in a segmented manner, thus countering growing competition from the air cargo industry. Maersk Container Industry was created in 1991 and worked on the production of various types of containers for the transportation of goods. In the meantime, the Odense Steel Shipyard at Lindø started producing the largest container transportation ships known at the time, which were later incorporated into Maersk's fleet.

The group, listed on the Copenhagen stock exchange since 1982, is now a business conglomerate in over 100 countries and is a world leader in maritime freight transportation. It is estimated that it manages 14% of containers transported by sea worldwide. Ane Mærsk Mc-Kinney Uggla, daughter of Mærsk Mc-Kinney Møller, succeeded her father in 2012 and became chairwoman of the group. In that same year the company achieved a turnover of \$59 billion.

Maersk is currently divided into four main business areas: Maersk Line (the business area with the largest turnover), dedicated to the transportation of containers and a leader in this sector; Maersk Oil (specializing in the extraction of oil and natural gas); APM Terminals (dedicated to the construction and operation of port areas); and Maersk Drilling (a high-tech drilling systems operator). It also conducts business through subsidiaries in other sectors, such as logistics or supermarket chains through companies Damco and the Dansk Supermarked Group.

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Spain

Miquel y Costas & Miquel (MCM). 1725

The paper manufacturing company Miquel y Costas & Miquel (MCM) has its origins in 18th-century Catalonia. It began its activity back in 1725, when the Miquel i Costas family started manufacturing handmade paper in the town of Capellades, Barcelona. At the time, this Catalan town was one of the main focal points for paper production, with over 50 highly versatile paper mills. After more than 150 years of history the family decided to give legal status to its manufacturing activity and founded the company Miquel y Costas in 1879.

One of the first indicators of technological progress in the Catalan papermaking industry came about with the Picardo machine, which incorporated intermediate technology to bridge the gap between handmade paper manufacturing and continuous production. This new device, created in Italy, made it possible to produce individual sheets of paper mechanically. The Picardo was imported in 1877 by four paper manufacturing companies located in Capellades: Jover y Serra, Hijos de Romaní y Tarrés, Wenceslao Guarro and Antonio Serra y Sobrino, all of which increased their productivity notably. Miquel y Costas, however, continued its handmade paper production and specialized in manufacturing smoking paper, which was sold under the El Pino brand name. The brand's specialization in smoking paper was nearly absolute, although they also manufactured writing paper. Like its competitors, it maintained a strong focus on exports from the outset. In 1879 the company created the first link in its foreign distribution network: a warehouse in Havana established by Pau Miquel i Costas, brother to the

company founders, which it used to distribute paper to South American countries. In 1910 other headquarters were established in Chile, Mexico and Argentina.

Miquel y Costas based its production system on solid technical experience, the result of having specialized in paper manufacturing for over two centuries. The company operated on the basis of mill leases and did not own any property until well into the 20th century. The company managed the mills by means of the traditional system. This involved granting control of the mill's production to a mill manager, called a *balaire*, who received the raw materials and the money to pay workers' salaries. Very often the mill manager had a family connection with the company. This system gave Miquel y Costas great flexibility, and by the end of the 19th century the company controlled about a dozen mills, placing it in a leading position in the papermaking market.

This type of organization did not change until 1914. At that time the company, already called Miquel y Costas & Miquel (MCM), acquired its first factory: the former Papelera Barcelonesa mill in Santa Coloma de Gramenet, which was equipped with a continuous production machine and was specialized in manufacturing smoking paper. This acquisition marked the end of manual paper manufacturing and gave the company a considerable boost: in 1929 it became the second largest paper manufacturing company in terms of capital, behind La Papelera Española. Miquel y Costas also had agencies in Cuba, Chile, Mexico, Argentina, the Philippines and the United States, as well as a series of commission agents working throughout South America. The company also began a vertical integration process, marked by the acquisition in 1913 of a workshop dedicated to manufacturing spools. It also diversified its activity and started selling other products such as wine, oil, cocoa, coffee, tobacco and salt. Up until 1920 the paper manufacturing company exported nearly its entire production. From that point forward it began establishing a certain presence in the Spanish market with the introduction of its new smoking paper brand, Smoking.

During the Spanish Civil War (1936–1939) the company was collectivized and lost its export markets. It started its recovery and the consolidation of new markets after 1940, despite the difficulties in sourcing raw materials.

On the other hand, social changes were reflected in the creation and development of new product lines – such as printing paper, Bible paper or base paper for industrial use. The company thus aimed to diversify the range of products on offer and maximize its lightweight paper manufacturing knowledge. Moreover, between 1940 and 1965 the company increased its share capital on several occasions.

In 1966, in order to maintain the rate of the business's expansion, the company opened up to external capital, 10% of which came from the Banco Exterior de España. Shortly thereafter, in 1975, Miquel y Costas & Miquel (MCM) merged with its direct competitor, Payá Miralles Corporation, based in Alcoi. Following this agreement, and given the need for modernization, the paper mill took a big leap in 1978 and started trading on the stock market through the open outcry system. In 1996 the company launched its initial public offering, which marked its entrance into the new Spanish continuous market. Over the years the company acquired other papermaking industry companies and established a subsidiary in Argentina by purchasing the Papeleras Reunidas de Buenos Aires branch in 1985, which became Miquel y Costas Argentina, S.A. (corporation). In the early 1990s the Miquel y Costas group participated in the creation of MB Papeles Especiales by purchasing 50% of its share capital. This purchase was completed in 2002, when the papermaking group acquired all of the company's capital. Through this operation, the group strengthened its position as a manufacturer of fine and special papers; in 1996 the company controlled 5% of the world's smoking paper production and was the fourth manufacturer of this type of paper worldwide. In 2003 a technological-industrial consultancy company was created, Miquel y Costas Tecnologías, S.A.

The Miquel y Costas Group currently comprises 13 subsidiary companies and one partner company, connected to the papermaking industry and ranging from marketing to services. The parent company is Miquel y Costas & Miquel (MCM). The group is chaired by Jorge Mercader Miró.

The company's main business is still manufacturing fine and specialty lightweight paper, specifically cigarette paper, smoking paper packets, printing paper, specialty papers and textile pastes. In 2012, 60% of production

was allocated to the tobacco industry. The Miquel y Costas Group is the top paper manufacturing company in Spain and its current share capital is €24.9 million. That same year it showed sales of over €199 million, 82% of which came from export revenue, and employed 814 people.

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Osborne Group. 1772

The origins of the Osborne Group date back to the late 18th century, when Thomas Osborne Mann left Exeter, in the United Kingdom, to settle in Cadiz. After his arrival he entered a partnership with Lonergan & White, the wine-making company, and forged a friendship with Sir James Duff, the British consul for the area. The latter, along with his nephew, William Gordon, stored wine from Cadiz, which Osborne then exported. The year of his first sherry vintage, 1772, marked the beginning of the family business.

Thomas Osborne married Böhl de Faber in 1825; she was the daughter of Juan Nicolás Böhl de Faber, an agent for the Duff Gordon Company and consul for Germany. The couple lived in El Puerto de Santa María, where they had five children: Tomás, Juan Nicolás, María Manuela, Cecilia and Francisca Xaviera. Juan Nicolás Böhl de Faber died in 1836 and his son-in-law, Thomas Osborne, took charge of the Duff Gordon brand. In turn, his son Tomás Osborne Böhl de Faber inherited the family business and managed it for the remaining decades of the 19th century.

In the 20th century, with the third generation of the family, a strategic change came about in the company, which distanced itself completely from Duff Gordon. Tomás Osborne Guezala focused his energies on the domestic market and started distributing under his own name, leading to the birth of the Osborne brand. His sudden death in 1935 meant that his son, Ignacio Osborne Vázquez, inherited the new business and took charge of its management. During the 1930s, the company made the decision to add brandy to its range of products, as an outlet for surplus production.

The family's fourth generation, headed by Ignacio Osborne from 1935 to 1972, transformed the firm into a public limited company. With strong

financial backing, the company focused on growth and diversified its product range. The company's growth after the postwar period came from the establishment of its brandy products (Tres Ceros and Veterano) in the domestic market. The Osborne family managed to strengthen its brand thanks to successful, large-scale advertising campaigns. For example, the Osborne bull was created in 1956, and shortly afterward the most famous roadside billboard in Spain came into being. The bull's silhouette became so popular that in 1994 it was officially recognized as part of Spain's cultural and artistic heritage in order to prevent its removal, as stipulated in highway regulations.

The company, which had been in existence for two centuries, consolidated its domestic and international position during the 1960s and '70s. Within the family, the revolutionary figure of Ignacio Osborne was succeeded by his brother Antonio, who managed the company for eight years, until 1980. Osborne was growing, but the family knew that the structure of the beverage sector has never been immobile. In 1972 Osborne demonstrated its capacity for innovation by creating the first marketing and distribution department in a wine and spirits group, as an internal structure within the company. This initiative was a departure from the traditional approach to distribution and a step toward vertical integration, which ensured the success and profitability of the company from Jerez. From this point onward, the company saw internal growth as a result of the popularity of its products and a high volume of sales; external growth came from a series of company acquisitions, which strengthened its balance sheet and its production capacity, at the same time as it diversified its range of products. With this new strategy, the Osborne family sought to ensure the company's sustainability in the face of external threats, especially due to the evolution of demand, the appearance of new competitors and, most importantly, substitute products. Spain was modernizing; Spanish people were changing their eating and drinking habits and Osborne had to adapt to these changes. In line with this strategy, in 1973 Osborne acquired Bodegas Montecillo in La Rioja, which belonged to the Bosch family. In 1974 it acquired Anís del Mono (Badalona) and bought shares in Jonás Torres y Cía.; it later acquired 100% of the latter and turned it into Bodegas Osborne Tomelloso (La

Mancha). The company also made the leap into international markets, opening in Portugal and Mexico.

In the 1980s – under the direction of Enrique Osborne McPherson and Tomás Osborne Vázquez – the company diversified its production even further and entered the food sector. In 1983 it purchased shares in Sánchez Romero Carvajal Jabugo, S.A., which it currently owns in its entirety. This marked the company's entrance into a new business activity, which it did gradually and by backing a brand that had a lot in common with its own: a high-quality brand image and a strong reputation in the food and beverage sector.

Since 1996, Tomás Osborne Gomero Cívico (chairman) and Ignacio Osborne Cologan (CEO) – the family's sixth generation – have been managing the company and have lent continuity to the strategy set out by their predecessors. In 1999 the family decided to diversify the business even further and entered the hospitality sector with Restauradora de Mesones S.L., under the Mesón Cinco Jotas brand. That same year it bought shares in AALTO Bodegas, a company that produces wine with the Ribera del Duero denomination of origin. In 2000 Osborne increased its range of products even further by acquiring a vineyard in Malpica de Tajo, Toledo, to produce red wines with the Tierra de Castilla denomination of origin. It also invested in facilities in Ribera del Duero for maturing and aging wines from the Osborne Selección collection. In 2002 the company bought shares in Solán de Cabras, a mineral water and juice producer, an operation which required the creation of the Osborne Group holding, managed by the family.

In recent years, the company has been able to get ahead of the financial crisis by reorganizing and simplifying its structure. In 2008 it merged sales networks to create a drinks section and an Iberian cured meats section. Osborne also continued purchasing other brandy and wine brands belonging to Bodegas Domecq and it sold Solán de Cabras to the Mahou-San Miguel Group in 2011, which allowed the company to balance its accounts. Subsequently, the company focused on its international expansion: more than half of Osborne wine is sold abroad. In 2009 the family began harnessing the Osborne Bull brand by marketing official products.

The group continues to be fully owned by the founding family, with over 270 shareholder members. They delegate their functions to the 10 family members who sit on the Board of Directors and who are responsible for managing the company through consensus decisions. Osborne currently employs 800 people, only four of whom, aside from the members of the Board of Directors, are family members.

In 2012 the Osborne Group's net sales were worth €222 million, through which it obtained a profit of €32.5 million. Some 78% came from the drinks and wine section. Despite its strong diversification, in all its products Osborne maintains its reputation for quality, associated with Andalusian gastronomy. In addition to key brands like Cinco Jotas, Magno and Montecillo, it also distributes other brands like Seagram's Gin, Monster Energy Drink and Santa Teresa Rum. In this same year (2012) the company consolidated and reinforced its position in key markets like the United States, China, and other emerging countries.

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La Farga Group. 1808

The Catalan copper company La Farga Group was created in 1808, when Barcelona was in the midst of Napoleon's occupation during the Peninsular War. Francisco Lacambra Terradellas, from Sabadell, opened a small foundry in the Barceloneta neighborhood, where he manufactured copper and bronze objects with his children: Francisco, Antonia Esperanza, and José Pablo Lacambra Pont.

Francisco Lacambra Pont took over management of the family business from his father. He was responsible for starting the wholesale trade in metal and recycled metal, which helped him accumulate capital for new projects. In 1844 the Lacambra family became the main copper suppliers for the Barcelona Mint. Another of the measures implemented by the family's second generation, supported by the company's growth, was the construction of a hydraulic copper forge on the banks of the Ter River, which was called La Farga Lacambra. The new forge manufactured copper plates for ship construction.

After Francisco Lacambra Pont died in 1870, his sons Ferran and Juan Lacambra Pujadas continued to manage the company under the name of Hijos de Francisco Lacambra. The drop in demand for copper plates from the shipyards meant the company needed to look for new markets, such as the electricity and railroad industries, in addition to restructuring. Consequently, the company began manufacturing new alloys, as well as plates for distillery stills, boilers for steam engines and trains, and brake discs for the rail industry. In 1898 the restructuring process was completed; the Barceloneta foundry was closed and the warehouses were moved to Bailén Street in Barcelona.

Josep Lacambra Saborit, Ferran Lacambra's son, managed the family foundries during the early years of the new century. During this period the company renewed its machinery; it was transformed into a modern metallurgical company and one of the largest in Spain. As a result, the company was able to begin producing electrical wiring cables in 1913. During the First World War, the company improved its results, which provided the means for building new facilities in La Farga. In 1921 Francisco Lacambra Lacambra inherited the company, which he managed until his death in 1933. During this period the company expanded through acquisitions, including: the electrical wire company Joan Cinca; and the Talleres Españoles de Calderería, with factories in Barcelona and Zaragoza. The Lacambra family produced the metals that were used in Spain's first power lines.

The company was collectivized during the Spanish Civil War, and it was used by the military industry to produce shell casings. After the war ended, the company was returned to the founding family. La Farga Lacambra was managed by Ramón Estany, brother to Francisco Lacambra Lacambra's widow, until his heir, Francisco José Lacambra Estany, was able to take over.

In the years that followed, the increase in demand for electrical products shifted the business's production in a new direction. However, the company suffered a tough blow in 1940 when a flood caused serious damage to the factory and the adjoining workers' housing estate. After the damage was repaired, the production plant grew steadily and the metallurgy colony was extended with new housing and services. Over the years the family implemented many innovations, such as the installation of a rolling mill for wire rod in 1952, a system that was improved in subsequent decades. Although the company had managed to increase its production substantially, a poor position in the market, paired with the financial instability of the time, caused the company to undergo a severe crisis in the 1980s. In 1981 the company was refounded as a public limited company and took on a new name: La Farga Lacambra, S.A. After five generations in family hands, the founding family was no longer the owner. The Guixà and Fisas families bought La Farga Lacambra in 1985, and once again it became a family-owned company.

After the change in ownership, La Farga Lacambra continued to innovate in its production processes. As a result, it was able to recover its leading market position. The company designed a continuous casting process using recycled copper, which it patented and sold worldwide. Due to this technological improvement, the company was able to carry out a number of industrial investments that increased its productivity and production capacity. It also expanded into new markets, such as welding wire for metal packaging. Other examples include the construction of a new copper rod factory and a joint venture with the British company Delta.

In 2003 a holding company, La Farga Group (LFG), was created. Two years later, the company started operating in the railroad sector again with the introduction of new products for the electrification industry. Its position in this market was strengthened in 2012 due to an expansion in its range of products and the achievement of important international contracts with leading companies in the sector. Likewise, in subsequent years the group began specializing in manufacturing high-performance copper products.

The company recently increased its product portfolio considerably and has created new specialized subsidiaries. La Farga Tub was created following the acquisition of a significant share of the company Tubo Técnico Europeo. In 2008 La Farga Rod was created, an electrolytic copper rod manufacturer. A year later La Farga Intec, SLU, was created to manage the group's patented technology in the field of copper rod manufacturing using recycled copper. In 2012 the group established a subsidiary in China (Jiangwu La Farga) together with a local partner in order to supply the railroad product market. Other subsidiaries in France and the United States followed.

Today, the group is the top copper recycling technology company in the world. It focuses on manufacturing and marketing semi-processed copper and copper alloy products for a number of markets. It has production plants in China and the United States, as well as distribution centers in France and three production plants in Spain: La Farga Lacambra, La Farga Tub and La Farga Rod. La Farga Group employs over 300 people and in 2012 its turnover was €1.05 billion. That same year it processed approximately 210,000 metric tons of copper and exported 70% of its production.

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Roca Corporación Empresarial. 1830

The Catalan company Roca Corporación Empresarial dates back to 1830, when Ignasi Soler set up a small blacksmith's workshop and machinery repair business in Manlleu, Barcelona. His son, Maties Soler, expanded and modernized the workshop by introducing the first steam engine and new lathes. In 1880 María Soler Serra – Maties' only daughter – married Pere Roca Jane, who inherited the business from his in-laws. As a result of this marriage, the workshop was renamed Talleres Roca.

In the early 20th century Pere Roca's four children needed to adapt the company to a technological innovation that had revolutionized the industry: the introduction of electricity to Catalan factories and workshops. The Roca children had received training in the business's different activities. Ángela was in charge of accounts, Josep was an engineer, Matías was a craftsman, and Martí was a master smelter. Together, they redesigned the family business and in 1917 – in Gavà, a more strategic location – they founded the first factory in Spain producing radiators for domestic and industrial heating: thus Compañía Roca Radiadores, S.A. was born.

The company began international partnerships from the early 20th century. Through an agreement in 1929 between Roca and the Spanish subsidiary of the U.S. company Arco, Roca was able to access its technology, brands and patents. In exchange, Arco owned 51% of the company's shares and controlled the management of the company, although the Roca children maintained their executive positions. The political climate of the postwar period in Spain, its isolation and its difficult relationship with the

United States forced the U.S. company to give up its participation in the Catalan company. However, the know-how, knowledge and cutting-edge technology remained with the Roca company.

During Franco's regime, Roca continued its expansion domestically, organically and through acquisitions. The fast-growing market share attained by its products, together with the family's desire to expand, led to an expansion of its business lines with the aim of diversifying the company's activities. Thus, in 1936 Roca entered the bathroom ceramics industry and, later on, added a line of bathroom fittings. A second ceramics factory was opened in Alcalá de Henares, Madrid, in 1962. A year later, Roca took the next step on the road to diversification with the opening of a factory in Sabadell dedicated to manufacturing air conditioning equipment; and so became one of the first companies in Spain to enter the emerging climate control systems market. In 1968 a third ceramics factory began operations in Alcalá de Guadaira, Seville, and in 1974 the company opened a steel bathtub factory.

From the mid-1970s onward, the company introduced a new and ambitious growth strategy. During that period, Roca intensified its product diversification – including floor and wall tiles – and designed an ambitious internationalization plan. Company-owned production plants were built in nine countries: Portugal, China, Morocco, Turkey, Poland, Italy, Argentina, Peru and the Dominican Republic. In China – a country where most foreign companies opt for a joint venture with a local partner – Roca decided to enter the market on its own. A different internationalization strategy, based on acquisition, was adopted with the purchase of Keramik Holding AG Laufen. This helped the company enter markets and set up production plants in Brazil, Switzerland, Austria, the Czech Republic, Slovakia, Bulgaria and the United States.

In 1974 Salvador Gabarró – not a family member – took over management of the company. Since then, the family has retained ownership of the company but has taken a step back from day-to-day management, although it has kept its membership on the Board of Directors. Several organizational bodies and activities help to preserve and strengthen the family's commitment to the business project; family unity and the family council help keep

family and company connected, combined with frequent shareholders' meetings and factory visits.

On January 24, 2002, Roca Radiadores S.A. began the process of company restructuring with the goal of organizing its different business activities into independent companies. This process was completed in 2005 with the sale of the heating and air conditioning businesses. This way, the company aimed to concentrate its efforts on the bathroom business, a sector in which it attained global leadership.

The company has received many awards for its successful business management. One of the most important was the IMD Distinguished Family Business Award, granted by the Swiss bankers Lombard Odier Darier Hentsch & Cie, which recognizes the recipient's dedication, global projection and family values in its business activities. The jury highlighted the company's excellent performance and solid family values. The small blacksmith's workshop founded in 1830 is today the world's leading producer and distributor of bathroom spaces, operating in over 135 countries. In 2012 the company's revenue was €1.6 billion.

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Grupo Ybarra Alimentación. 1842

The origins of Grupo Ybarra date back to 1842, the year José María Ybarra y Gutiérrez, the first count of Ybarra, founded Hijos de Ybarra. Don José María, originally from Bilbao, moved to Seville in the early 1840s, thus starting the Andalusian branch of the family saga. The first count of Ybarra laid the foundations for the family business by investing in several industries: maritime transport, agriculture and mining. In 1843 he married Dolores González Álvarez, heiress to a family who had done business in colonial Mexico and returned to Seville following the country's independence, looking to invest part of their fortune in agricultural estates and the oil industry; these activities would later strengthen Grupo Ybarra's business. As was to be expected, the different branches of the business were operated through a large number of trading companies.

The main business for the first generations of the Ybarra family was the naval industry, started by the first count of Ybarra when he arrived in Seville in the mid-19th century. The business initially consisted of coastal trading with sailing ships and, later, with steam boats, transporting mining materials and industrial components, as well as agricultural products (either their own production or belonging to third parties). This branch of the business was particularly important during World War I, when Spanish neutrality allowed the company to benefit from the increased demand for vessels to transport raw materials and products.

The founder of the Seville family branch opened three other business lines: financial, iron and steelworks, and mining. In 1857 José María Ybarra participated in the creation of the Banco de Sevilla, a business that would grow with the arrival of the second generation of managers. The Ybarra

family participated in the iron and steel industry by purchasing shares in Sociedad Altos Hornos de Bilbao. There was a family connection as well as a business connection with this company: two of the first count of Ybarra's brothers, Juan and Gabriel Ybarra, were important figures during the reconversion of the Basque iron and steel industry from 1870 to 1880. The mining business began in the Huelva area, on the border with Badajoz, and was expanded by the family's second generation through the acquisition of other mines. In 1858 Ybarra was running eight mines using different methods; in three of the mines Ybarra was the sole owner, in two of them the company was a managing partner and in a further two it participated as a leaseholder partner. The liberalization of mining regulations in Spain from 1868 onward allowed for the entry of foreign capital in the sector. This impacted the Ybarra family directly, but they were able to adapt to the changes and established trade relationships with English capital investors.

However, the root of Grupo Ybarra, and the business activity that would make them famous in Spain, is agriculture. In 1842 José María Ybarra created Hijos de Ybarra with the aim of marketing agricultural products from the family properties in Andalusia. The company began its operations up to modern standards and introduced technical developments, such as the refinery process or packaging in cans, which helped them guarantee uniform quality and set the company apart from its competitors, which were more attached to artisan production methods. Additionally, unlike other businesses at that time, the family controlled the full production cycle: farming, manufacturing and marketing. They produced oil, seasoned olives, and wines and marketed these products along with others like grain and oranges.

For the oil business, the Ybarras produced olives on their estates, pressed them and packaged the product in bulk; the company then sold and marketed the semi-finished product as well as a subsequent more refined product in different ports, normally using their own shipping company. If their own harvest was not sufficient, they would buy olives from local farmers to add to their own when making the oil. The production of semi-processed oil soon became secondary to the production of fully refined and finished oil, packaged with the Ybarra brand name.

This vertical integration provided greater profitability, but it also required knowledge of production methods and keeping up to date with distribution systems and product pricing. Beginning in the early 20th century, the family looked to emulate successful English manufacturing models. Finally, the Ybarras built a production plant in Seville in 1913, which sold its products at Spanish and U.S. ports; the olive seasoning was exported to the United States and Europe. The Ybarras also started their wine business in the late 20th century using the grape production from their own estates. Foreign clients for the product were also sought out, mainly in Mexico and the United Kingdom.

The business group prospered under the family's second generation, comprised of the five Ybarra González brothers. They were introduced to management of the family business gradually and at an early age. Their in-house training with the company was rounded out with a good formal education, which reinforced the company management and the entrance into new modern business activities with strong possibilities for growth. The five brothers combined centralized decision making and specializations according to investment sector, based on their training and their preferences. Thus, in its initial stages, the company did not divide its holdings, and the Ybarra brothers managed the family business directly. The head of the family was the eldest son, José María. Following his untimely death it was Eduardo, the second eldest, who inherited the responsibility.

With the arrival of the third generation, the agricultural branch of the business became increasingly important. After the Spanish Civil War, the company's specialization in the food and agriculture industry grew and Hijos de Ybarra became an established part of the Spanish business community. In 1945, having survived the worst of the postwar years, the company reinvented itself once again by introducing a line of olive oil packaged in plastic bottles, an innovation that helped it stand out from the competition. In 1968 the Ybarra family revolutionized the food sector by launching a range of prepared mayonnaises and sauces. Quality continued to be one of the company's key values. It ensured the products it marketed were correctly prepared by controlling the full production process. In the 1970s the family strengthened its market diversification strategy, which

bolstered the brand's internationalization process. This helped the company gain significant market share in North and South America. Ybarra didn't overlook the domestic market either, where it sought to increase its share through advertising campaigns, which proved highly successful. The slogan "That's right, that's right. The secret's in the Y" became very popular.

During the 1980s and '90s the company continued to innovate and introduce successful advertising campaigns, which reinforced its quality image. Launching the first olive oil in a Tetra Brik carton and introducing innovative formats set Ybarra well ahead of its competitors.

From the mid-1990s onward the company focused its activity on four major strategic lines: innovation and diversification; the Mediterranean diet; strategic alliances with complementary industries; and company acquisitions. In 1997 Grupo Ybarra was officially born, creating other new companies in the process (Aceites Ybarra, S.A. and Aceitunas Ybarra). The diversification policy was further consolidated with the launch of new products: cans of fried tomato sauce (1999), vegetables (2001), pasta sauces (2004), and precooked products (2007). Packaging innovations also continued: mayonnaise was marketed in a plastic container in 2003 and a glass bottle was created for Gran Selección oils and vinegars in 2005. In line with its strategic alliances policy, in 2008 the company signed an agreement for sauce packaging with Heinz, the multinational company. A year later Ybarra entered another agreement with Migasa, an oil-producing family business, to create Grupo Ybarra Alimentación, a joint corporation with each company owning 50% of shares. This strategic agreement has aimed to create greater synergies in the oil business and to strengthen all the Ybarra brands – which are now managed by the new corporation – both in Spain and internationally.

Ybarra is currently present in over 60 countries, where it exports not only its products but also a life philosophy based on the Mediterranean diet. This food and agriculture group employs over 200 people and in 2012 its turnover was €153 million.

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Editorial Espasa. 1860

The Spanish publishing house Espasa was founded in 1860 by José Espasa Anguera. Initially called Espasa Hermanos, it was replaced in 1881 by Espasa y Cía. In 1912, following its founder's death, this second company changed its name to Hijos de José Espasa. The publisher had been created with the mission of promoting the development of Hispanic culture and this was reflected in its broad catalog of reference books, classics, literature and non-fiction. Since 1925 the works published by the company have included important publications for the Royal Spanish Academy, such as the *Diccionario de la lengua española*, the *Ortografía* and the *Gramática*.

In 1926 Espasa merged with Compañía Anónima de Librería y Publicaciones Españolas (Calpe). As a result of this merger, Espasa Calpe was created in Bilbao with a share capital of 16 million pesetas, the highest of any publisher at the time. Calpe was founded in 1918 as the result of a vertical integration strategy implemented by Papelera Española. Managed by Nicolás Urgoiti, the driving force behind the project, Calpe had a select portfolio of authors, headed up by José Ortega y Gasset. Despite the company's prestige, Calpe had problems getting established; around 1925 it was on the verge of bankruptcy. The merger with Espasa, which was also going through a crisis following its founder's death, was seen as the best option for both parties. Espasa brought its strong catalog to the table, including notably *La Enciclopedia*, and Calpe offered its financial capacity.

Despite having been founded as one of the most modern publishers of the time, Espasa Calpe suffered, like other companies in the industry, from the limitations of a small domestic market. For this reason, the new publisher was created with a strong international focus. Using the contacts furnished

by its parent companies, Espasa Calpe designed an internationalization plan especially aimed at the Latin American market, which promised a great potential for growth at that time. The strategy was based on opening subsidiaries to increase the volume of books exported for sale on the American continent at reasonable prices. In 1926 Espasa Calpe opened its first subsidiary in Argentina. From its offices in Buenos Aires the publisher developed a growing commercial network that reached Brazil, Uruguay, Chile and Peru. The business's good performance encouraged the company to open new delegations; in 1930 it set up offices in Mexico and a year later in Cuba. On the brink of the Spanish Civil War, Espasa Calpe had implemented a strong internationalization process and its American subsidiaries provided between 6% and 14% of the publisher's total revenue.

The Spanish Civil War put a stop to the company's history of growth. The Spanish publishing industry fell into a profound crisis due to production restrictions and strict censorship. Espasa Calpe was practically the only publisher that managed to keep its position in the American market. Due to restrictions on book exports, the company decided to move its publishing operations to Argentina and distributed to the rest of the continent from there. The Buenos Aires subsidiary legally became a public limited company on April 22, 1937. That same year the Austral collection, Espasa Calpe's first paperback collection, was created in Buenos Aires. This collection published between 10 and 20 titles a month, with a print run of some 15,000 copies. Argentina was the star market for the Spanish publisher during the 1940s and 1950s.

The Spanish publishing sector started to recover in the late 1950s. Economic growth, paired with improving standards of living and higher literacy rates, fostered demand in the Spanish market. The publishing sector was bolstered by financial support measures aimed at modernizing its infrastructures and encouraging exports. Espasa Calpe's main markets at the time were Argentina, Brazil, Mexico, Venezuela, Colombia and Chile, and its export figures soared. This growth spurt, which other Spanish publishers also experienced, led some Latin American governments to impose restrictions on the import of Spanish books in order to protect their national industries. The measures adopted by the Mexican government in 1974

were particularly restrictive, given that the country was the main export destination for Spanish publishers at the time. This type of restrictions encouraged Espasa Calpe to set up their own production subsidiaries in Latin American countries. The local edition strategy, which the company had implemented in Argentina a few years earlier, was repeated with the establishment of a new production subsidiary in Mexico. Due to this new distribution channel, and along with traditional exports, the sales figures for the Latin American market grew considerably. At the same time, the Spanish market was also showing increased sales figures; in 1974 the Spanish publishing sector occupied the fifth position in the global publishing industry ranking.

In 1992 Espasa Calpe was acquired by Grupo Planeta, another publisher with a long history in the Spanish market. Planeta was founded in 1949 by José Manuel Lara Hernández (1914–2003), father of José Manuel Lara Bosch, who was chairman of the company until his death in January 2015. The company began its activity in Spain publishing best sellers from the United States, though it soon added national literature to its catalog as well. It created the Premio Planeta literary prize in 1952 to promote the work of new writers. The prize is one of the key events in the group's history and has become its signature feature. Planeta's growth during the 1950s was built on two pillars: on the one hand, national literature, which obtained good sales figures in the case of the Premio Planeta and works like *Los cipreses creen en Dios* by José María Gironella (1953); and on the other hand, encyclopedias, with the subsequent addition (in 1965) of important reference works like the *Enciclopedia Larousse*, which were sold using a credit purchase system. In order to manage this second business line, José Manuel Lara Hernández created Crédito Internacional del Libro in 1956, a company that was renamed Planeta Crédito in 1980.

Grupo Planeta's international expansion started in the 1960s – first through exports and later by means of its own subsidiaries. In 1965 it founded the subsidiary Planeta Mexico, and the following year it created Planeta Colombia. Whereas the early stages of internationalization were based on internal growth, from the 1980s onwards Planeta reinforced its foreign markets by acquiring some of the most important mid-sized

companies in the Spanish-speaking publishing world. Espasa Calpe was one of the companies acquired by the group. At the time, it was one of the most prestigious publishers in Spain and it had built up a network of subsidiaries spread throughout the Latin American market. The operation helped Grupo Planeta bridge the gap and establish itself firmly in that market. It rounded out its presence in Latin America with the acquisition of the Mexican publishing house Editorial Diana, the newspaper *El Tiempo* (from Bogotá), and the Argentinian publishers Paidós and Emecé Editores. In 2008 the group acquired Editis, one of the most important French publishers. With this purchase, Planeta entered into a new business line: textbooks. In 2010 it acquired the German group Bertelsmann and 50% of shares in Círculo de Lectores, the largest readers' community in Spain, with over a million subscribers.

Espasa still has its own imprint within Grupo Planeta. One noteworthy element in its catalog is the *Enciclopedia Espasa Universal*, successor to the *Enciclopedia Universal Ilustrada*, created in 1905. Espasa is still responsible for publishing the main Royal Spanish Academy publications and the Austral collection, a pioneer in the Spanish paperback industry. Under the Espasa label, Grupo Planeta organizes two contests: the Premio Primavera de Novela, a prestigious award in the Spanish and Latin American literary world created in 1997, and the Premio Espasa, awarded in recognition of journalism, research and exposé pieces on social interest topics.

Grupo Planeta currently operates in eight main business areas: publishing, collectibles, direct sales, training and professional resources, distance learning, Internet, cinema and audiovisual production, and media. Collectibles series, whether in paper format, CD-ROM or DVD installments, are one of the group's main economic motors. Strong organic growth, along with a strategic alliance with the Italian company De Agostini (which has extensive experience in collectibles series), has been vital in this segment and resulted in the creation of the joint venture Planeta DeAgostini in 1985. Outside of the original book publishing business, the Lara family has invested heavily in radio, television and print media in order to build a large media group, with strong connections between its different business units. Planeta is currently a shareholder in TV channels such as Antena 3 TV and

La Sexta; radio stations such as Onda Cero and Europa FM; and newspapers and publications, most notably *La Razón*. Recently Planeta created the Atresmedia group through a merger between Antena 3 and La Sexta, in which Planeta DeAgostini is the main shareholder with 41.7% of shares. In 2012 Grupo Planeta's revenue was €1.65 billion.

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Grupo Catalana Occidente. 1864

Grupo Catalana Occidente began taking shape in the late 1950s on a path forged by the two insurance companies with the longest history in the sector: Sociedad Catalana de Seguros Contra Incendios a Prima Fija – commonly known as La Catalana – and Occidente, Compañía Española de Seguros, S.A. La Catalana was founded in 1864 and took the first steps toward its domestic expansion as early as the 19th century: in 1873 it won the contract to insure the Congress of Deputies building in Madrid; in 1883 it insured the City Hall in Barcelona; and in 1892 it insured the Arsenal building, also in Barcelona and the current seat of the Parliament of Catalonia. In the late 19th century the company began trading on the Barcelona stock exchange. During the 20th century it consolidated its growth, largely due to a strategy based on diversification and internationalization. La Catalana cemented its structure in Spain, opening offices in Melilla (1911), Seville (1926) and Zaragoza (1930), and beyond national borders in Paris (1919) and Cuba (1920). In 1947 the company, which had previously centered its activity on fire insurance, diversified its range of services and started offering life insurance, personal accident insurance, occupational injury insurance and car insurance.

Thus, La Catalana already had a significant history of its own when it was acquired by another important company – Occidente, Compañía Española de Seguros, S.A., founded on August 26, 1902. The latter had gone through a difficult period in the late 1940s and, in order to remedy the situation, the Board of Directors, presided over by Remigio Thiebaut, decided to appoint Jesús Serra Santamans, who had experience in the sector, as the new CEO. Under Jesús Serra's management the company

recovered; whereas the total revenue from premiums for 1947 was 19,626,552 pesetas (€117,957.53), 12 years later the sum had increased to more than 129 million pesetas (€775,305.61). This brilliant track record was Serra's endorsement as he sought a position with another insurance company, while still handling his duties as CEO of Occidente. In 1959 he was appointed CEO and member of the Board of Directors of La Catalana. From that time onward, although both entities operated independently, they began on a progressive course toward the integration and consolidation of Grupo Catalana Occidente.

The merger provided for a strategic renewal of the company through the establishment of a new philosophy and working methodology. The group's goals were: to achieve greater technical capacity, to create a highly trained and motivated team, to offer improved services, and to increase its market share. In order to achieve this, the first challenge for the group's manager was to integrate the different companies from an organizational point of view, grouping them under the same corporate umbrella and developing potential synergies between them. In fact, integration not only affected the parent companies, La Catalana and Occidente; it also affected all their subsidiaries: La Previsión Nacional, Intercontinental de Seguros, Cantabria (which was incorporated in 1965) and Occidental de Capitalización, although these maintained their independent legal status and their own market brands.

The company integration process was implemented in two stages: first, technical and administrative services were centralized; and later, the commercial network was restructured. This second stage was particularly important and difficult, as a truly innovative system was being created. Prior to the integration the companies had some 200 local general agents – as well as delegates in each region – who carried out both commercial work and paperwork. However, the bureaucratic aspects were an obstacle to increasing their sales capacity. With the creation of a network of branch offices, the general agents and delegates lost their exclusivity and a team of 10,000 professional agents was created. From this point forward, the branch offices dealt with the administrative work, whereas the agents were exclusively dedicated to sales. This structure turned out to be a great

organizational success, and it marked a turning point in insurance distribution systems in Spain.

Another important policy that was essential to the group's development involved Jesús Serra's decision to support what was then known as "mechanization," productivity and the application of advanced management systems, all innovative trends in Spain in the 1950s and 1960s. The material symbol of this innovative policy is the company's headquarters in Sant Cugat del Vallès, Barcelona, created in the 1970s and equipped with cutting-edge technology. Planning and the use of modern management techniques have also been constant features of the company's activity. For example, it has prepared an annual strategic plan since 1964, which is communicated to all employees. Using these management tools and relying on the aforementioned commercial structure, Catalana Occidente began opening offices in the main Spanish cities in the 1960s.

The company grew to such a point that La Catalana, the group's main company, occupied the eighth position in the sector in 1973. Aside from managing Catalana Occidente directly, Jesús Serra also spearheaded another innovative project during that period: the creation of ICEA (Collaborative Research Among Insurance Entities) to promote knowledge, research and training within the insurance sector. Spain's entry into the European Economic Community in 1986 and the country's opening up to foreign capital forced the company to redesign its strategy in order to address the challenge of new competition, in addition to modifying its legal structure. In this macro-economic environment, the total merger of La Catalana and Occidente into a single entity took place in 1987. It is managed by the Serra family, who are also the majority shareholders.

Following Jesús Serra Santamans' retirement, the insurance group continued its expansion in the hands of the family's second generation. The entrepreneurial spirit and innovative capacity were passed along as part of the family legacy. During the 1990s and the early 21st century, the company enjoyed a strong growth rate in several directions (market share and diversification) and based on different strategies (organic growth, strategic alliances, mergers and acquisitions). In 1991 Catalana Occidente created a joint venture with the Austrian insurance group Uniq, thereby creating

Cosalud, a health insurance company in which the group owned 55% of shares, which increased to 100% in 2004. In 1995 the group started to trade on the Madrid stock exchange and in 1997, following an initial public offering of the company's shares aimed at institutional investors, the company entered the continuous market. In 1996 the company redesigned its business processes by creating several centers specializing in risk underwriting, accident processing, phone services and administration. In late 1999, Catalana Occidente bought Multinacional Aseguradora (MNA) from Caixa de Catalunya, thereby acquiring a strategic opportunity to increase its business turnover in the automobile industry.

In 2001 Grupo Catalana Occidente acquired Lepanto S.A., an operation aimed at entering the profitable area of death insurance through its subsidiary Nortehispana. That same year, and following the full integration of MNA and Catalana Occidente, Seguros Catalana Occidente was born. In 2004 the group acquired Seguros Bilbao, a company that operated in all insurance areas and which had an established presence throughout the country. It provided the company with a good opportunity to increase its presence in the Spanish market. In 2008 it took over control of Atradius, the second largest credit insurance operator worldwide, with a 30% market share. This operation, which was completed between 2009 and 2012, involved the inclusion of its Spanish subsidiary, Crédito y Caución. In 2012 the company acquired 49% of the Spanish business Groupama, S.A., which returned to its former name Plus Ultra Seguros when the acquisition took place.

All these strategies have helped Catalana Occidente occupy a leading position in the Spanish insurance sector; in 2012 the group generated a turnover of €3.24 billion and employed 5,636 people. The Serra family is still the majority shareholder, and José María Serra Farré is the group's current chairman.

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Hijos de Juan de Garay. 1864

The family business Hijos de Juan de Garay got its start in 1864 in the town of Oñate, in the province of Guipúzcoa. Cornelio Garay Zuazubiscar founded a match factory there when he was only 21 years old. The prosperity of the university town bolstered the success of the family business, which in turn contributed to Oñate's economic growth; the match factory provided employment for around 300 families from the town.

Cornelio Garay Zuazubiscar's entrepreneurial spirit soon led him to pursue new activities, taking advantage of the opportunities provided by the political and economic situation. During the Third Carlist War (1872–1876) Cornelio Garay's match factory became the Royal Mint. However, the minting of coins manufactured by Garay, which included the coat of arms of Carlos VII, stopped after the entry of the liberal troops in 1876, who received orders to destroy the machinery.

During the second half of the 19th century the number of match producers multiplied; most of them were organized in small workshops, especially in the north of Spain. The badly damaged situation of the Spanish tax authority led to the approval of a temporary tax on the sale of matches in 1874 and finally resulted in the creation of a State monopoly in 1893. For a time, administration of the monopoly was leased to the match producers. However, in 1911 the State took over both management and exploitation directly, and the match factories that had remained in private hands were expropriated. Thus, the Garay family lost its production plant, which the State bought for 161,055.05 pesetas, or a mere 2.5 pesetas per square meter. This brought an end to the family's match business, but not to their business activity on the whole. Juan de Garay Aguirre – Cornelio Garay's

son, who shared his entrepreneurial spirit – reoriented the company and founded Spain's first umbrella frame factory in 1921. That company is considered to be the origin of Hijos de Juan de Garay as we know it today. Juan de Garay set up a new business after repurchasing from the State the match factory that had previously belonged to his father. He hired engineers, installed German machinery and began manufacturing umbrella frames with about 200 employees. The business's pioneering nature explains its success and rapid expansion; in 1933 Juan de Garay Aguirre supplied the market with over 750 types of umbrella frames. Umbrella frames continued to be manufactured by the family business until 1994.

The definitive foundations for the current company were laid down in 1926 with the establishment of a factory dedicated to the production of welded steel. In the early years these tubes were used for manufacturing umbrella frames, but additional uses were soon found. Juan de Garay Aguirre died in 1937 in the midst of the Spanish Civil War, and the factory was passed on to his sons Cornelio, Luis and Juan de Garay. During the war, the business was militarized.

By the 1970s the company employed some 700 people from the Alto Deba region. Production varied over the years, adapting to society's needs. Thus the company began diversifying its production, adding new products such as scythe handles, mail boxes and prefabricated houses.

Under the guidance of Juan de Garay's heirs, the family company continued to diversify its business and enter new sectors. In 1954 a metal division was created for smelting copper into semi-finished products. This development enabled the Garay family to take the lead in the production of brass bars and profiles. A year later, under the management of Luis de Garay, the company moved in a new direction and the steel tubes division was given greater strategic importance. To that end, the manufacturing plants were expanded and modernized with the most advanced technology available for the production of welded and calibrated precision tubes. The construction of structures for Talgo trains and the manufacture of Lube motorbikes are notable examples of the company's many projects.

In recent years, the company has continued to be on the look-out for new business opportunities, which has remained a key strategy over the

years. For example, in 2003 it created a new independent business section for manufacturing tubular components for the automobile industry. The company's recent entry and positioning in the global automobile market was achieved through the certification of its quality assurance systems and the professionalization of its senior management team. Juan de Garay's heirs also carried out a gradual process to expand and modernize the plant's production capacity, which now covers 70,000 m².

The early 21st century saw the internationalization of the family business with the opening of its first production plant abroad, in Bratislava, Slovakia. The company also has sales agents in France, Germany, Portugal and South Africa.

Hijos de Juan de Garay currently divides its activity into three main manufacturing areas: welded steel precision tubes, tubular components for automobiles, and brass bars and profiles. In 2013 the company employed over 350 people and was still managed by the fifth generation of the Garay family, a point of reference in Spanish industrial activity.

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Miguel Torres. 1870

The Torres family name has been connected to the wine industry for over three centuries. The family was already growing grapes and marketing wines from the Penedès region, in Catalonia, as far back as the 18th century. Continuing a long wine-making tradition, the brothers Jaime and Miguel Torres Vendrell founded the family business in 1870 in Vilafranca del Penedès, Barcelona, under the name Torres y Compañía. The brand was founded with a strong orientation toward exports, and their wines soon gained international prestige in places as varied as Cartagena de Indias, Veracruz, Santiago de Cuba, Philadelphia, Bremen, Paris, Hamburg and Saint Petersburg.

Jaime and Miguel Torres, architects of the company's extraordinary expansion, died in 1904 and 1910, respectively. Juan Torres Casals, Miguel's son, inherited the family business. Under his management, the company worked toward diversifying its products. In 1928 it began distilling brandy. Foreign markets continued to be a considerable source of revenue for the Torres wineries during this period, though the company still looked after its local sales.

Following Juan Torres Casals' death in 1932 his son, Miguel Torres Carbó, inherited the business. This member of the family's third generation gave the company its definitive boost, both nationally and abroad. The winemakers started bottling and distributing their wines to the best restaurants and wine sellers of the time, thus strengthening their brand image. The Spanish Civil War put a temporary stop to the company's growth trend. Its facilities were severely damaged and production came to a standstill. Following the war, the family winery was rebuilt and the vineyards were

expanded. The family's tenacity and Miguel Torres Carbó's entrepreneurial spirit led the company into a new growth period; during the 1940s and 1950s some of their best known current brands were created, including Viña Sol, Gran Viña Sol, Sangre de Toro, Coronas and Viña Esmeralda.

In the 1960s the company invested in modernizing its production, implementing cutting-edge processes and technologies – for example, the use of stainless steel tanks or the application of new fermentation techniques to produce white wine at low temperatures. At the same time, they began growing new grape varieties, such as Cabernet Sauvignon or Chardonnay, in the family vineyards. Likewise, the business's original international orientation was maintained. Torres not only exported their wines to the most remote locations, they also began planting vineyards on foreign soil; in 1979 the Valle Central winery was opened in Chile, in Curicó. Three years later Marimar Torres, daughter of Miguel Torres Carbó, oversaw the plantation of Chardonnay, Pinot Noir and Parellada grape varieties in the region of Sonoma County, California, which dramatically increased the presence of the family's wines in the United States. The introduction into the U.S. market, which had begun some years earlier with wine exports, led to the creation of the Marimar Torres Estate winery in 1993.

Following the death of Miguel Torres Carbó in 1991, his son Miguel A. Torres inherited the position of chairman and CEO of the family business, following the path his father had laid out. The company, with the fourth generation at the helm, continued to grow internationally by establishing strategic alliances and new foreign subsidiaries in countries like Sweden, India and Peru. In the early 21st century, now incorporating the fifth generation, the family business gave a new boost to its presence in Spain; new wine brands were created (Nerola, Celeste and Salmos) and wineries and vineyards were acquired in the D.O.-classified wine regions of Jumilla, Toro, Rioja and Ribera del Duero. The launch of one of the first alcohol-free wines (Natureo) in 2009 was one of the company's most recent and notable innovations in the sector.

The Miguel Torres family business, now managed by Miguel Torres Maczassek, currently markets over 50 different brands and is present in more than 140 countries. Its turnover reached €231 million in 2012. In the

local market, the company has vineyards in the D.O. regions of Penedès, Conca de Barberà, Priorat, Jumilla and Costers del Segre and wineries in Penedès, Priorat, Ribera del Duero and Rioja. In addition to its traditional grape growing and wine marketing activities, Miguel Torres distributes a range of products including the Swedish water brand Voss and Beluga vodka. The company has received a number of awards both nationally and internationally, and its brands have become known for their prestige and quality: the result of a successful combination of tradition and vision for the future.

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Grupo Iberostar. Familia Fluxà. 1877

The origins of the Fluxà family business are linked to the footwear industry and the island of Mallorca. Antoni Fluxà (1853–1918) began working as a shoemaker in a small artisan's workshop in the town of Inca, Mallorca. The workshop grew and was automated in the early 20th century, drawing on the opportunity provided by World War I and the increased demand for footwear from the French army. Following Antoni Fluxà's death, the business was passed on to his eldest daughter, Francisca Aina, and later to his step-brother, Lorenzo Fluxà (1907–1993). Lorenzo Fluxà's shoe company, Lottusse, founded in 1877 and managed by his son Antonio, is still a flagship Spanish shoe brand of great prestige today.

In the 1950s Lorenzo Fluxà decided to diversify his business and entered the tourism industry with the acquisition of Viajes Iberia in 1956. He had two main reasons for entering the tourism business. First of all, this entrepreneur from Mallorca had always wanted to go international – a desire fueled by shortages in the wake of the Spanish Civil War, when the difficulties in accessing foreign raw materials and the currency shortage seriously impacted the development of his shoe business. Second, Lorenzo Fluxà was part of a small visionary group who, in the early 1950s, realized the potential of the tourism business for the future of the Balearic Islands.

The travel agency that Lorenzo Fluxà acquired in 1956 merely issued tickets for travel. Fluxà immediately expanded the business in two directions. First, he branched into the incoming visitor business derived from the arrival of tourists at a destination: organizing transportation and complementary tours. Second, he entered the hotel management business, acquiring some properties and leasing others.

The Fluxà family tourism business really took off under the management of Miguel Fluxà, one of Lorenzo's sons. Miguel entered the family business in the early 1960s, coinciding with the recent addition of tourism to his father's business portfolio. He was given the job of developing this new sector. Miguel had two brothers: Lorenzo and Antonio. His brother Antonio took over the Lottusse shoe business, which he still manages today, whereas Lorenzo created his own shoe company in 1975 – the successful international brand Camper. These three companies, Lottusse, Camper and Grupo Iberostar, maintain close connections; each brother is the majority shareholder in his own business and a minority shareholder in the other companies.

Iberostar grew in an organic, gradual and considerable manner from the outset. Its three business divisions – ticket issuing, incoming tourism and hotels – have evolved in parallel, but at different speeds and prominence. One might say that the development of the first two areas, at an earlier stage, enabled and facilitated the steady take-off of the hotel business, which is now the company's core business. Looking at the group's main business activity, the company history can be divided in two broad stages: before and after 1986, the year that the Iberostar hotel brand was created.

Up until 1986 the incoming tourism business was the core activity and had the strongest growth within the group. In the 1960s, the company – chaired by Miguel Fluxà – experienced major milestones such as representation contracts for the Balearic Islands with American Express (at the time focused on the travel industry) and the American International Travel Service (an important U.S. travel company). This last company turned Grupo Iberostar into a pioneer in the reception of back-to-back charter flights in Mallorca. In 1974 the company became the representative for the American Association of Retired Persons (AARP), which involved handling the incoming tourism business for U.S. retirees on long winter stays.

In the late 1970s the group's incoming tourism business took a further leap forward when it signed representation contracts for the whole of Spain with two of the largest European tour operators at the time: the German operator Neckermann – now part of the Thomas Cook Group

– and the British operator Intasun, which went bankrupt in the early 1990s. In order to handle the incoming tourism for Neckermann in the Canary Islands, Iberostar acquired the usual supplier for the German group at the time, Cyrasa.

During this initial stage of Iberostar's expansion, the incoming tourism business was also central to the company's first internationalization efforts, which focused on the creation of incoming tourism companies in the United Kingdom (Iberotravel) and the United States (Visit Us). This impressive development was accompanied and supported by an important issuing business – which also evolved and prospered – giving rise to the creation of the group's own tour operator in 1973: Iberojet. Throughout this period, the hotel business remained a secondary activity.

The year 1986 was a turning point, marking the beginning of a real "hotel take-off." Iberostar, the company that owns and operates hotels and apartments, was created and the group was restructured: the incoming tourist business in Spain was included under Cyrasa (except for the activity generated by Intasun) and Iberoservice was created in 1988 to provide incoming tourism services to Intasun, in association with Grupo ILG, the Intasun parent company. The traditional issuing division continued through the Viajes Iberia agencies and the Iberojet operator.

The expansion of Iberostar's hotel business began in Spain, mainly in the Balearic Islands and the Canary Islands. However, in 1993 the group had already opened its first complex in the Caribbean; from that point onward the hotel business growth was spectacular. In 2001 the company owned or managed 55 hotels; in 2005 the number had increased to 89 and it hit the 100 mark in 2012. In 1998 Iberworld, a charter flight company, was added to this ambitious expansion plan and shortly afterward came Iberojet Cruceros, a company with its own fleet of ships specializing in cruise sales.

The strong increase in hotel activity did not imply a lack of growth in other business areas; there was simply an inversion in the growth rates with the prioritization of the hotel business.

In 2006 Iberostar completed the company's reorientation, which had begun 20 years earlier. In order to foster the development and expansion

of its hotel business, it sold the issuing division to the U.K. investment company Carlyle. The sale affected the tour operator Iberojet, all the tour operating companies that had been acquired or created in previous years, the Iberworld airline, Iberojet Cruceros and the network of retail offices owned by Viajes Iberia, which had given the group its original name. Iberostar then underwent another important restructuring process, which defined its three current business divisions: hotels, real estate development and incoming tourism. These business divisions were finalized with the creation of Fundación Iberostar, founded in 2004 with the primary objective of pursuing social action through training and development cooperation projects.

Grupo Iberostar is one of the most prominent hotel companies in Spain; with 21,000 employees and 67,000 beds, in 2012 it provided services to 2.2 million customers and its turnover was €1.17 billion. The company has 100 hotels and resorts located in 19 countries around the world. Although its main activity is hotel management, the group has three business units: Iberostar Hoteles & Resorts (focused on the hospitality business with four- and five-star hotels located in over 35 destinations); Iberostate (dedicated to real estate through the construction and development of luxury holiday homes in the most exclusive areas of its hotel complexes); and Iberoservice (which provides incoming tourism services to tour operators, travel agents and companies specialized in international groups and incentives). The latter has 20 offices located in six Ibero-American countries. Grupo Iberostar is a family business owned by the Fluxà family. Miguel Fluxà chairs the company and his daughters Sabina and Gloria hold two of the three vice presidential positions.

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E. Erhardt y Cía. 1882

The origins of the Erhardt business date back to the mid-19th century, when brothers Kart (1855) and Eugen (1857) Erhardt were born in Wasseraufingen, Germany. In 1882 the brothers founded Erhardt & Co. in Stuttgart. Their business goal was to act as a representative for industrial companies and naval agents. Their first client was the major German company Fried Krupp GmbH, one of the largest companies in Europe at the time. Just a few weeks after creating the company, Eugen Erhardt, who did not speak a word of Spanish, left for Bilbao to act as a Krupp agent. He had been given the task of overseeing the production of the Vizcaya and Cantabria iron mines (which had purchase contracts with the German iron and steel company) and organizing the shipment of minerals to the Krupp factories in Essen, Germany. As such, Krupp's business in Spain required the newly created company to establish itself in both Bilbao and Santander. At the time they had a share capital of 100,000 pesetas to manage Krupp's mining interests, supervise and coordinate iron mineral exports to the north of Europe and represent the ships that provided this service. A new Krupp business venture – opening its own shipping company in Rotterdam – led Erhardt to set up in Cologne and Rotterdam to supervise the ships arriving in Northern Europe with mineral iron and the ships returning to Bilbao with processed products, which Erhardt marketed and sold as a company agent.

The brothers traveled continually between Germany, the Netherlands and Spain, and they chose different cities for their home bases. Kart settled in Stuttgart and Eugen made a home in Bilbao with his family, his wife Alwine and his children: Eugenio (1887), Otto (1889), Richard (1892) and Martha (1899). In the late 19th century, Bilbao was becoming an important

industrial production center. Between 1880 and 1890, one tenth of the world's global iron production came from Vizcaya. The Basque Country thus supplied a large part of the European iron and steel industry, especially in the United Kingdom, the Netherlands and Germany. Taking advantage of this situation, in the early 20th century a number of shipping companies appeared and made regular stops at the Port of Bilbao, connecting with Northern Europe and South America. Eugen secured representation contracts for the Bilbao port with many of these lines, including: Norddeutscher Lloyd, Deutsche Dampfschiffahrts Gesellschaft Hansa Linie, Hamburg-Amerika Linie and Oldenburg-Portugiesische Dampfschiffs-Rhederei. At the same time, in 1894 Eugen decided to enter the mining business through the purchase of shares in the Sopuerta mining company (1894–1903). The expansion phase of the business suffered a severe blow with the outbreak of World War I. The consequences of the war for the company were notable; the portion of its business tied in with Germany, and to some extent the Netherlands, disappeared. In 1920, a year after the end of the war, Eugen Erhardt died in Cologne.

Yet the company was able to weather both the war and the founder's death. The continuity of the family dynasty was ensured by Eugen's two sons – Eugenio and Otto – who had joined the family business when their father was alive. Eugenio, the eldest, stayed in Bilbao and took control of the company with the help of Wilhem Eickhoff, his father's right-hand man and partner. The family's connection with the Basque Country increased from that point forward in two ways: first, when the new family patriarch married Soledad Hormaeche, with whom he had three children – Mercedes (1920), Eugenio (1923) and Albert (1925); and, second, when the company was constituted as a Spanish limited liability company with offices in Bilbao, Santander and Barcelona. In 1921 the industrial crisis seriously affected the Basque iron and steel industry. This was later intensified by the effects of the Crash of 1929 in Spain, which were particularly noticeable in export sectors. The country's agitated political and economic situation in later years forced the company to develop new business areas, such as freighting and insurance company representation, although it maintained its original business as an agent in the iron and steel industry for Krupp and for other

companies. The Spanish Civil War and the long postwar period, up until 1947, caused a forcible interruption of the company's activities.

The family's third generation, represented by the brothers Eugenio and Alberto, entered the family business in September 1946. Following their father's death in 1951, and their mother's death a year later, they became owners and managers of the company. Eugenio Erhardt Hormaeche took on the role of CEO, although both brothers worked closely to promote the company's growth and to adapt it to the country's new circumstances. In the 1950s and 1960s they expanded the family business within Spain, opening new offices in Madrid, San Sebastian, Avilés and La Coruña. The brothers also began diversifying the business, taking advantage of financial tranquility, especially following the Stability Plan of 1959. They founded new companies and bought shares in others throughout Spain: shipping companies (Tráficos Navieros and Naviera Eco), cargo handling companies (Carmesa), insurance companies (Ercos) and industrial companies (Mecánica de la Peña, Itasa, Erpo, Mecaner, Tamese, Talleres Moreda and Serantes). They entered the field of engineering by creating Sener, Remasa and Indesa, among others. They also maintained the company's traditional activities: foreign trade and representing shipping and industrial companies. The industrial business area, led by Alberto Erhardt, experienced notable growth in the 1960s, through participation in the creation of engineering firms, workshops and factories.

The company's growth was such that in 1971 the group had to be restructured. The brothers divided the company's assets into two divisions. One became an industrial and engineering division, with Mecánica de la Peña as its leading company. The other one included services, maritime activities, foreign trade, insurance and construction, held under the corporate umbrella of E. Erhardt y Cía. Eugenio's branch of the family retained ownership and management of E. Erhardt y Cía, while Alberto's branch took over responsibility for the industrial and engineering division from that point forward.

Beginning in the 1970s, Eugenio Erhardt Hormaeche emerged as sole owner of the business and the company placed renewed emphasis on its diversification strategy. The group's construction activities were promoted through Inducosa, which began exporting wood paste to Germany,

imported state-of-the-art machinery, and began manufacturing components for furnaces (through Ingeniería Erhardt, S.A.). However, the oil crisis put an end to this expansion. The economic crisis negatively affected the traditional sectors of the Basque industry and hampered the growth of the family business, particularly as a result of an increase in costs and interest rates. It was not until 1980 that the company recovered its growth trend by reinforcing its traditional business lines and, once again, through diversification. The insurance division experienced a period of strong growth which resulted in Ercos being listed on the stock exchange in 1989. The company also benefited at the time from the good conditions for commerce and for representing coal and scrap metal firms. Likewise, the maritime business increased as new companies signed representation contracts. Unrelated diversification occurred when the company entered the fashion industry, opening a shop in Madrid.

The fourth generation of the family has managed the company since 1989, when Eugenio Erhardt Hormaeche handed off the presidency to his eldest son, Eugenio Erhardt Oraá, although he retained his position as non-executive honorary president. The new manager, who had started working with the company in 1975, had to deal with difficult times. Following strong growth during the 1980s, the Spanish economy entered a recession in 1992. The company had to reinvent itself. The insurance company Ercos was sold to Allianz AG, a German company, although Erhardt did not abandon the insurance sector completely. The company began its activity in the area of information technologies through the firm Serikat. Since then the company's business areas have been organized into three divisions: transport and logistics, information technologies and foreign trade. The diversification strategy once again provided good results and the company grew within Spain, opening offices in cities like Zaragoza or Tarragona.

Today, the brothers Eugenio and Rafael Erhardt Oraá manage the company, along with members of the family's fourth and fifth generations, and face new growth challenges. In recent years the company's activity has focused on the transport and logistics sector, as well as technology. The group currently employs over 800 people in 35 companies and owns subsidiaries throughout Spain, as well as in Algeria and Shanghai.

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Sedatex. 1886

The history of the Spanish textile company Sedatex began in 1886, when Rafael Pich Puig opened a factory dedicated to the production of natural silk in the town of Rubí, near Barcelona. At that time, natural silk was in great demand and the company soon partnered with the Col·legi de l'Art Major de la Seda (silk industry association) in Barcelona, now known as the Federació Textil Sedera (Silk Textile Federation). After Rafael Pich died in 1903, his widow, María Aguilera Casals, continued to manage the company until her sons were able to take over.

While the rest of Europe was immersed in the Great War, the company expanded and diversified its products. In 1914 it introduced plain natural silk textiles for ladies and, 10 years later, it launched printed textiles in artificial silk or viscose. The company's production activity began to take shape with the expansion of its product range and the creation of a corporate image. In 1914 the first company logo was designed, using the image of a lion, and in 1918 the company was renamed Pich Aguilera Hermanos.

Sedatex's international expansion began in the 1920s with exports to several European countries including France, Germany and the United Kingdom. This growth made it necessary to move the company headquarters to Barcelona, while the production plant remained in Rubí.

The Spanish Civil War and its immediate aftermath meant that Sedatex lost its export markets, which put a temporary stop to its history of growth. Nonetheless, the company was able to reinvent itself and, given that economic relations with Europe were cut off, it began the search for new markets; in 1946 Sedatex started exporting its silks to Argentina.

Having overcome the difficult years, Sedatex began to grow again through internationalization and by diversifying its product portfolio. In 1956 the company entered the menswear market with the manufacture of new viscose thread textiles. Two years later the Pich family registered the Boatiné brand, a padded textile for lining ladies' bathrobes. In the 1960s and 1970s other products were developed: viscose textiles for linings, Strelor acetate textiles, unisex sportswear and bathing suits. Thus, Sedatex was able to position itself as a leading company in the textile sector and its brands became very well known by the Spanish public.

The company's growth was such that in 1974 the production plant had to be relocated to a larger facility in Les Borges Blanques, Lleida. In addition, the company built a new printing plant (Ibercolor) intended to foster the new printed textile segment. A decade later, a dye production center was opened in Massanes, Girona, in order to improve the company's range of solid-color textiles.

In 1987 the business was constituted as a public limited company under its current name, Sedatex S.A. Several years later, in 1995, the fifth generation of the Pich family entered the business and they still manage it today.

In recent years the family business has continued to grow by following the same strategies used in earlier stages: international growth and diversification. Sedatex has entered several commercial agreements that have helped consolidate its presence in the Latin American market. With the acquisition of Devetex, the Pich family moved into the German textile market. In 2004 Sedatex created PACT 2004, focused on providing clothing production and logistics services. This operation was a first step in the group's vertical integration process, which continued some years later with the acquisition of La Fou, a personalized printing company for knitwear, and Recortex, a textile manufacturer for the medical sector and industrial applications.

Sedatex currently operates across the entire textile industry value chain. The company offers its clients a full range of services, from textile and print design and creation, to logistics and quality-control solutions. The group also has interests in other sectors, such as real estate. Currently managed by Luis Pich, Sedatex employs about 950 people and its turnover was €170 million in 2012.

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Mahou. 1890

The Madrid-based beer company Mahou was founded in 1890 by Alfredo, Enrique, Luis and Carolina Mahou Solana. The four siblings founded the company Hijos de Casimiro Mahou as a general partnership, with headquarters on Amanuel Street. The company was dedicated to manufacturing ice and brewing beer, with a paid-up capital of 130,000 pesetas. Mahou initially focused its production on a single type of beer (Pilsen), which it produced using German technology and raw materials (hops) from Germany. The product's early success encouraged the Mahou siblings to diversify their markets and extend their scope of action beyond the Spanish capital. In 1904 the family opened a new brewery in Gibrleón, Huelva, which turned out to be a constant source of losses and was finally closed in 1912. Nonetheless, this relative failure did not curtail the drive for expansion in the family business. In 1914 Mahou beer was being sold in bars and at public outlets in Madrid, Ciudad Real, Murcia, Cáceres, Córdoba, Toledo, Salamanca, Segovia, Zamora, Ávila, Cuenca, Soria, Guadalajara and Albacete. Given that most sales were small and spread apart, the company needed to have a closely managed and efficient distribution system.

The arrival of the second generation was a milestone in the company's development. Casimiro Mahou García, son of Alfredo Mahou Solana and Ana García Santamaría, was responsible for the business's expansion during the interwar period. He is a key figure not only for understanding Mahou's development at that stage, but also because he played a decisive role in the sector as a whole and in the organization of Madrid's business network. Casimiro Mahou entered the family business when he was only 22 years old due to his father's untimely death in 1903, which left him to take over its

management. Though he lacked academic training, the new successor learned business techniques very quickly and was able to take advantage of the favorable situation created by Spanish neutrality during World War I. Mahou experienced an increase in the demand for beer and, consequently, its production figures skyrocketed. Nonetheless, the company suffered from communication difficulties with its German suppliers and was forced to find Spanish substitutes. This was, however, only a temporary shift and once the situation had returned to normal in 1920, Mahou began relying on its German suppliers again.

The company has always striven to ensure the quality of its products. This aim led the brothers to invest in a new malt house in order to control the quality of their malt, a necessary ingredient for brewing beer. The growing sales and development of the business justified this kind of investment; in 1921 there were 41 breweries in Spain and only two malt houses. The Mahou family once again relied on German technology to develop this project. The new Mahou headquarters opened in 1926 and included a malt house, a bottling plant, a cellar, stables and a barrel repair workshop. Two years later a new technical development was introduced: Ziemann copper and iron boilers, a real innovation in the Spanish beer sector. From then on, Mahou used its own malt and rounded out its supply from German and Catalan companies, and with yeast purchased in Spain. At that time, Mahou was the fourth largest brewing company in the country.

The interwar period, when the company was managed by Casimiro Mahou, marked its greatest period of growth. Mahou set up locations in 40 Spanish provinces and the only areas left outside its commercial network were Asturias, Santander, the Basque Country and Catalonia, where large-scale brewing companies that dominated the local market were already operating. The firm's excellent customer service, an aspect that Casimiro considered very important, was one of the company's key success factors. Mahou would not accept orders it did not have the capacity to fill, it was reliable in meeting delivery deadlines and conditions, and it carried out a careful selection process for its clients and representatives. The premise of providing quality and attending to customers' needs also fueled the launch of a new service: the installation of a draft beer tap. Mahou could not allow

its image to be damaged by potential poor hygiene conditions in certain bars and outlets, so it decided to install its own draft beer taps with the company brand and to handle their maintenance as well. However, Mahou never opened its own bars.

On the brink of the Spanish Civil War, Mahou had 177 permanent laborers, 75 temporary laborers and 20 employees. Its human resources were another key element of the family business policy. Casimiro Mahou was a pioneer in developing policies to improve working conditions. He took care to provide medical and pharmaceutical services to workers, and in 1921 he created Montepío Mahou, which managed company employees' social benefits from that time forward.

This period of growth came to a forcible standstill due to the outbreak of the Spanish Civil War. During the war, the Mahou brewery was seized, and the company was one of the worst affected compared to others in the sector. During the postwar period the company tried to recover its lost standing. However, the period of autarchy and heavy-handed governmental intervention made it impossible for the company to buy from its foreign suppliers and forced it to change its supply policies. In addition, the economic situation was not good, which made the 1940s a difficult decade for the business; between June and December 1941 Mahou was forced to stop production due to a lack of raw materials. Despite these restrictions, the company continued to invest in technological innovations for its breweries and transport and distribution systems. Following the death of Casimiro Mahou in 1943, the family's third generation entered the company's senior management. Casimiro's sons, Alfredo and Carlos Mahou, jointly owned 50% of the company; their aunt Margarita Mahou García held 37.5%, and their cousin Ana Carolina Díaz Mahou owned the remaining 12.5%. The two male heirs were responsible for the company management, in particular the eldest, Alfredo Mahou, who inherited the most senior position in the company.

The difficulties of the 1940s were resolved during the following decade. The spectacular growth in the demand for beer in Spain had to be met by domestic products. Despite Spain's policy of self-sufficiency, the company was able to import foreign technology to update its equipment. 1957, the

year the firm became a public limited company, can be considered the turning point in its growth. The Spanish economic upturn in the 1960s, and particularly that of the beer industry, fueled the company's modernization and consolidated its position as a leading beer company.

A strong increase in sales made it necessary to build a new brewery in Madrid in 1961. Once again, the Mahou family invested in cutting-edge facilities and completely automated their production processes. The company had to face two challenges, nonetheless: the introduction of imported beers – mainly from Denmark, the United Kingdom and Germany – and changes in demand, influenced by an increase in soft drink consumption. In order to face up to these challenges the family turned to innovation again, keeping abreast of the latest trends in the sector and the characteristics of consumer demand. Among the most salient developments were innovations in packaging. In this vein, Mahou renovated its draft beer taps in 1966. That same year it introduced a one-liter beer bottle and, three years later, 33-cl bottles and cans. In the 1970s beer bottles became non-returnable and new formats were launched. During those years Mahou also took the first steps toward diversifying its product range. In 1969 it introduced Mahou Cinco Estrellas, a beer that would become the company's flagship brand due to its high quality.

During the 1980s the company sought to increase its market share in two ways: by strengthening its advertising strategy and by improving the sales conditions for customers and dealers. The company also faced a new generational change; following the death of Alfredo and Carlos Mahou in 1978 and 1979, respectively, Virginia Mahou de Vilches, Alfredo's daughter and sole heir, took possession of 50% of the company. The remaining 50% was owned by the Gervás family. In 1979 both families welcomed a foreign partner: the French company Brasseries Kronenbourg, S.A. – which belonged to BSN at the time (a company that later changed its name to Danone) – acquired a third of the Madrid-based company. At that time, the shareholders decided to consolidate Mahou's traditional strong points: to reinforce a solid brand with a very popular and positive image, and to promote a modern and competitive brewery. In 1992 Danone began the process to acquire San Miguel, another well-known beer company in Spain. In 1994

Mahou acquired 30% of its competitor, a percentage which increased in 2000 when it bought the remaining 70% from Danone. All of these strategies helped the company climb to one of the top positions in the sector's ranking. In 1997 Mahou was ranked the seventh beer brewing company in Europe, and the top company in Spain according to sales volume.

In 2004 the group continued its growth strategy through acquisitions and bought another of its competitors, Cervezas Anaga. Three years later it took over Cervezas Alhambra, from Granada. By 2005, Danone was no longer a shareholder, and Mahou became the leading Spanish-owned beer company, under the name Grupo Mahou-San Miguel.

In recent years the company has reinforced its diversification strategy. In 2010 it entered an agreement with D.E. Master Blenders to distribute coffees, teas and sweeteners for the hospitality sector. A year later Solán de Cabras, the water and soft drinks producer, was added to the group to increase its beverages portfolio. Mahou has recently also sought to increase its market share by establishing strategic alliances for marketing its products, both in Spain and abroad. Grupo Mahou-San Miguel is currently the leading beer company in Spain and has a comprehensive catalog of complementary beer brands. The company produces 75% of Spanish beer exports and employs more than 2,500 people.

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García Carrión. 1890

The current García Carrión Group was born in 1890 in Jumilla, located in the north of Murcia. José García-Carrión, who descended from a long line of farmers, decided to take advantage of the phylloxera plague affecting French vineyards and founded a large winery to export wine to said country. The business prospered in its early years. The company had a clear international orientation and a strong capacity for innovation, which laid the foundations for growth in future generations.

Nonetheless, the García Carrión Group, as it is known today, started to take shape when the family's fourth generation entered the company's management in the 1960s. It was at that time that García Carrión transitioned from a modest winery into an important international group. José García-Carrión Jordán, the current CEO, entered the family business in 1968, when he was only 19 years old, and took charge of the company's management and its production. A year later, his wife, Rafaela Corujo, took over the advertising and marketing department. The couple's entrepreneurial spirit, paired with their perseverance and hard work, were key factors in the group's extraordinary growth. When the couple entered the business García Carrión's annual turnover was barely €90,000. In 2012 the family business turnover reached €810 million.

The first step in the expansion of the García Carrión wineries was the launch of Don Simón wine in 1982. It was a significant and radical innovation in the sector; Don Simón was the first wine to be packaged in a Tetra Brik carton. This risky launch, which was a source of conflict with the older generations, was a huge success for the company from Murcia. Don Simón revolutionized the Spanish wine market and was an immediate success.

Barely a year later, García Carrión had become the top company in the Spanish table wine market. Today, Don Simón is the best-selling Spanish wine worldwide.

Just four years later, the García-Carrión family showed their innovative spirit once again and, faced with the need to expand their range of products, they gave their traditional business a complete turnaround. In 1986 the company from Murcia began producing and marketing juices, nectars and non-carbonated soft drinks under the Don Simón brand. This was the beginning of the business's diversification. Over the following years the company brought out a number of equally successful products, such as low-alcohol content wines, fresh pressed juices, vegetable soups and natural broths. The company launched its juice range with risky comparative advertising campaigns. They were polemic at the time and caused a number of conflicts with competitors.

The García Carrión Group is currently the leading company in the Spanish wine and juice markets. In addition, it is the top winery in Europe and the fifth largest globally, as well as the second juice producer in Europe. In its traditional sector (wine), García Carrión owns Spanish wineries and vineyards under 10 different denominations of origin, in which it is a clear leader. These include Jumilla, Rioja, Ribera del Duero, Toro and Penedès. Marqués de Carrión, Señorío de los Llanos and Jaume Serra stand out among the wines bottled by García Carrión. All the wines produced by the group are characterized by excellent quality and low prices. This marketing strategy has been supported by profit reinvestment. In this way, the company has been able to employ the most advanced production technologies which, when applied to traditional wine-making processes, have increased productivity and reduced costs. This investment in technology has also improved the flexibility of production processes, which in turn has helped the company adapt to changing market conditions, both nationally and internationally.

The García Carrión Group currently owns production plants in Murcia, Almería, Ciudad Real and Huelva. The latter is considered to be the most modern plant for juice extraction and packaging on the European continent. The group exports to 155 countries and in 2012 its revenue was €810 million.

Over the past 10 years the company has reinvested €700 million in expanding the capacity of its wineries and building new plants. It has also made large investments in the region of Murcia, thus contributing to the area's development. The García Carrión Group employs 800 people across its 10 production plants and generates over 1,500 indirect jobs. It also works with more than 30,000 farmers.

The husband-and-wife team – José García-Carrión and Rafaela Corujo – are still leading the company. Their son, Luciano García-Carrión, representative of the family's fifth generation, has also entered the business and has managed its exporting activities since 1997. The family continues to invest strongly in the business and expects its turnover to grow by 60% over the next five years.

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Comsa Emte. 1891

The Catalan infrastructure and engineering group Comsa Emte was created in 2009 through the merger of two companies: Comsa and Emte, which were founded in 1891 and 1961, respectively.

Comsa was created in Reus, province of Tarragona, in 1891. The small-scale original company, which was called José Miarnau Navás Contratista de Obras, was founded by José Miarnau Navás to undertake railroad infrastructure works, especially track construction and train station renovations. It was not until the 1920s that the company started to carry out larger projects, chief amongst them the construction of the Sagrera train station in Barcelona.

The founder, José Miarnau Navás, died in 1934 and the company was inherited by his three sons: Joan, Josep and Tomás Miarnau. In February of that year the company was constituted as a public limited company under the name Hijos de José Miarnau Navás and moved its headquarters to València Street in Barcelona.

The second generation of the Miarnau family began a diversification strategy which led it to enter new civil engineering fields, while continuing with the family's traditional railroad construction business. With the outbreak of the Spanish Civil War, the Miarnau brothers were forced to abandon the company and go into exile in Italy. A committee took over the company until the war ended and the family recovered its position. During the early postwar years the company participated in several reconstruction projects in different Spanish cities, such as Zaragoza, Castellón and Teruel.

The brothers Jordi and Josep Miarnau Banús, Joan Miarnau's sons, entered the business in 1958. The arrival of the family's third generation

took place following the sale of Tomás and Josep Miarnau's shares to their brother Joan. When Josep Miarnau Banús entered the company he was appointed as CEO and took charge of the company's commercial activities. Meanwhile, his brother Jordi was responsible for the business's technical management. These generational changes were soon reflected in the company, which in 1964 changed its name to Construcciones Miarnau S.A. The new generation was especially interested in modernizing processes and they fostered innovation and research as the key drivers for the business. They were also aware of the importance of expanding their activities geographically – up until then they had only been focused in Catalonia. The company opened its first offices in Valencia and Madrid and, from there, extended its presence into the rest of Spain. The company adopted its current name, Comsa S.A., around 1976 and started a new phase of business diversification with several activities in the real estate sector.

The company's internationalization process started in the 1990s, as the family's fourth generation began joining the business. This strategy intensified in the early 21st century and was favored by the efforts the company had made toward professionalization, technological modernization and competitiveness in international markets.

Estudios, Montajes y Tendidos Eléctricos (EMTE)'s company history developed in parallel to that of Comsa. This company, also from Catalonia, was founded by Carles Sumarroca in 1961. Its initial activity was focused on installing electric power generation and distribution systems for different electrical companies. The company was legally constituted as a public limited company in 1970, and at the same time it simplified its registered name adopting the acronym Emte, as the first step toward its expansion throughout Spain, which took place in the 1980s. The company grew through diversification; it added a number of services in the field of climate control, the development of control systems, telecommunications and electronics. Near the end of the 20th century, new business opportunities came to the forefront in the fields of energy and waste treatment.

Emte's international expansion started in 2004 and, although the process began later than Comsa's, it was rapid and conclusive. In barely two years, Emte had managed to position itself in 10 countries, mainly in

Latin American. This extraordinary expansion required external financing, so Emte opened its doors to new shareholders outside the family circle; Caja Madrid and Banco Sabadell both purchased shares in 2007.

Comsa and Emte merged in 2009, thus creating the second largest non-listed Spanish construction and services group. The new company's share capital was distributed as follows: 70% belonged to the Miarnau family and 18% to the Sumarroca family, while the remaining 12% was held by Emte's two financial shareholders: Caja Madrid and Aurica XXI (Banco Sabadell's investment company). The Board of Directors was also reorganized and representative positions were divided between the two families.

Comsa Emte is currently a benchmark group in the infrastructures and engineering sector. Its intense international activity is one of the key pillars of its business: it operates in 24 countries with a total turnover in excess of €600 million. The group, chaired by Jorge Miarnau, is structured around 12 key business areas: railroad infrastructures, construction, dry goods and prefabricated structures, electrical engineering, mechanical engineering, systems engineering, maintenance and services, technology, tenders, renewable energy, environmental, transport, and logistics. In 2012 Comsa Emte's turnover was €1.77 billion and it employed over 10,000 people.

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Perfumería Gal. 1898

Perfumería Gal is one of the oldest Spanish companies in the perfume industry. The company was founded in Madrid in 1898 by Salvador Echeandía Gal, who came from a family of merchants in Irún. The company's origins lie in a modest cosmetics shop that Echeandía had opened three years before on Madrid's Arenal Street. One of their first and most successful products was Petróleo Gal, a hair lotion that he produced himself. Salvador and his brother Eusebio, who had a degree in chemistry from the University of Berlin, made several trips around Europe and became familiar with the emerging organic chemistry industry; the brothers made use of this knowledge to launch their business. The Echeandías received financial support to create their company from members of the bourgeoisie in the Basque country and Madrid, notably from Lesmes Sainz de Vicuña.

The Echeandía brothers focused on manufacturing quality products at affordable prices, aimed at the middle class. Their lotions, powders and elixirs attained great success at an early stage, and provided the necessary funds to set up their first factory on Ferraz Street in Madrid in 1901. From that point forward, the company continued to launch new products, such as eau de cologne, toothpaste, extracts and talcum powder. Among them Heno de Pravia soap is particularly noteworthy, a product that was launched in 1905, marking the birth of a highly prestigious brand in the Spanish market. In later years, the company opened a new shop on Carrera de San Jerónimo and moved its production facilities to a new factory in Moncloa, Madrid.

During World War I the company increased its production and strengthened its presence in the domestic market, occupying the market niches left by its French, German and U.K. competitors. The production boost and the

company's steady progress encouraged it to explore new markets, and Perfumería Gal started its international expansion in 1920. In 1923 it established its first sales offices in London (Gal of London) and became a supplier to the British royal family. Four years later it opened a factory in Argentina, which served as an entry point to the American continent. In 1930 the company took over its closest competitor, Perfumería Floralia, an acquisition which gave it a presence in the Mexican market.

The success of Perfumería Gal during those years also relied on intense and well-targeted advertising campaigns. The company was a pioneer in Spain in using large-scale publicity campaigns as a sales tool. The Echeandías adopted innovative advertising techniques for the time, such as publishing a corporate magazine (*Pompas de Jabón*) from 1927 to 1928, or compiling a housewives' database, which the company used to distribute information on new products. The company also collaborated with the best advertising experts: beginning in 1916, the art nouveau illustrator Federico Rivas was made responsible for designing the company's advertisements and posters.

Perfumería Gal's expansion was interrupted by the outbreak of the Spanish Civil War. Salvador Echeandía moved to France, where he lived until 1939. Following the isolation of the postwar years, which delayed the company's international growth at a time when raw materials were also scarce, Perfumería Gal focused on consolidating its presence in the domestic market. The company returned to manufacturing its traditional brands, created new ones and expanded its product portfolio – adding men's perfumes, deodorants, shampoos and creams. After Salvador Echeandía died in 1949, his son-in-law, Alberto Anabitarte, took his place at the head of the business. At that time, Perfumería Gal had managed to recover its production capacity and was the leading company in the cosmetics sector with a market share of 40%. In 1960 the company opened a new soap factory on the outskirts of Madrid, in the Henares area, and continued to expand its international presence in Mexico, Peru, Colombia, Argentina and the Philippines. At that time, the heirs to Lesmes Sainz de Vicuña, one of the first investors in the company, owned the majority of Perfumería Gal's share capital, although they were not involved in the daily running of the company until the late 1970s. From that time forward, the company's

performance was affected by competition from national and foreign brands, although it managed to retain its leadership in certain markets, such as soap.

Beginning in 1995 the history of Perfumería Gal overlaps with that of another family business in the sector. In that year, the Catalan company Puig acquired a majority share in Perfumería Gal, as part of its strategy to dominate the Spanish cosmetics and perfume industry. The origins of Puig date back to 1914 when the founder, Antonio Puig, set up business in Barcelona as a representative for different foreign perfume and cosmetic brands, such as Rimmel and D'Orsay. In 1922, in collaboration with the perfumer Armand Soler, Puig launched its first house brand, Milady: the first lipstick manufactured in Spain.

Like Perfumería Gal, Puig was affected by the scarcity of raw materials and the international isolation of the postwar years. Antonio Puig, nonetheless, managed to maintain his valuable international contacts and adapted to the market's conditions. In 1940 he launched Agua de Lavanda de Puig, a product that was 100% for the domestic market, which became an immediate success and an icon for the company. During the 1950s the second generation of the family entered the business: Antonio Puig and Júlia Planas' sons: Antonio, Mariano, José María and Enrique. The first two were responsible for the perfume business, José María managed business diversification and Enrique was responsible for institutional relations. The family business became a public limited company in 1964. The Puig family knew how to make the most of a favorable environment and the good prospects for Spanish business to consolidate their market position. They designed an effective corporate strategy that was coherent with their values. The company focused on promoting its laboratory work as well as research and innovation activities. To this end, in the 1960s it built a new factory in the Besós Industrial Estate to handle all its production activity. This period saw the creation of well-known eau de cologne brands such as Agua Brava, Azur de Puig, Moana, Estivalia and Vetiver.

During the 1970s Puig started its international expansion, greatly aided by the family's personal contacts, and established its first subsidiary in New York. From the New York headquarters, Puig was able to conquer the Latin

American markets, where its main competitors – Perfumería Gal and Myrurgia – were firmly established. At a local level, the company grew through acquisitions in order to enter new segments and diversify its product catalog. After signing several agreements with prestigious brands, which made it the top company in the perfume sector, Puig became a shareholder in Perfumería Gal through the acquisition of 35% of its shares. The operation was followed through in 2001 with the acquisition of the remaining 65%, 40% of which belonged to the Sainz de Vicuña family. Thus, the historical perfume company founded by Salvador Echeandía changed hands, although it managed to retain its family business status. The acquisition of Gal helped the Catalan group strengthen its leadership in the Spanish market and gave a considerable boost to its expansion in Latin America, a market where Perfumería Gal was firmly established. Since 1996 the parent holding company Puig Beauty & Fashion Group is the structure that groups together the company's main divisions: perfumes, cosmetics and fashion. Each of the divisions includes prestigious brands like Carolina Herrera, Adolfo Domínguez, Nina Ricci or the historical Heno de Pravia, among others. The group continues in the hands of the Puig family, with the third generation managing the company.

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Fomento de Construcciones y Contratas (FCC). 1900

Fomento de Construcciones y Contratas (FCC), as it is known today, was created in 1992, as the result of the merger of two companies: Construcciones y Contratas and Fomento de Obras y Construcciones. Nevertheless, the company's origins date back as far as 1900, when the latter was created in Barcelona. The first project undertaken by Fomento de Obras y Construcciones, S.A. (Focsa) was the construction of several docks in the port of Barcelona in the early 20th century. In later years the construction work continued, including railroad tracks and the urban development of Gran Via, Avinguda Diagonal and Casanova Street, while the company also continued to build port installations and docks.

It also entered the services sector after winning the concession for cleaning and maintaining Barcelona's sewer system in 1911. This helped the company diversify at an early stage, which proved beneficial in later years. Focsa's geographic expansion began in 1913 with its first services contract in Madrid, when its bid was accepted for the underground sewer system.

Despite being well established in the services sector, Focsa had not set aside its construction work, and made the most of the opportunity provided by Barcelona's World Fair. The company was responsible for the urban development of the exhibition grounds and Plaça Espanya, as well as the urban development of part of Rambla de Catalunya and Balmes Street. The company's experience in this field helped it to get concessions for waste collection services in Madrid and Zaragoza, which were privatized in 1940. In the construction business, Focsa played a significant role in the

reconstruction of infrastructures following the Spanish Civil War – mainly railway bridges and roads – as well as in building factories to help rebuild the country's industrial structure, such as the Seat or Pirelli factories in Barcelona.

From its inception, the company's development was characterized by a continuous process of innovation. For example, it was the first Spanish company to introduce bituminous road surfaces, which were installed using tar irrigation. Over the years, the company continued to pioneer the introduction of new methods and techniques into the country, such as the use of prestressed concrete in the construction of urban structures in the 1960s.

In 1944 the second company that would later form FCC was founded in Madrid: Construcciones y Reparaciones, S.A., later renamed Construcciones y Contratas, S.A. The company started work in the Spanish capital, most notably on the contract for the construction of the U.S. airbase in Torrejón de Ardoz, which was created through an agreement between the U.S. government and the government led by General Franco. In the 1950s the company was acquired by Ernesto Koplowitz, of German origin, under whose management the company grew considerably.

In the 1960s Spanish construction companies intensified their activity thanks to the economic upturn. Meanwhile, Focsa's services section was awarded the cleaning and irrigation services contract for the city of Valencia. In 1981 the company's international expansion in the services sector began with the contract for urban waste collection and road cleaning services in Caracas, Venezuela. In later years contracts were signed for the provision of these services in Argentina, Colombia, Chile, France, Mexico, Portugal, the United Kingdom and the Dominican Republic. In 1985 the company's diversification increased with the opening of a new line of business: street furniture. That year the company won the tender contract for the installation, maintenance and advertising operations of over 2,000 bus stops in Madrid. In 1988 the diversification of the new business increased with the first important contract for integrated water management in the city of Vigo. Following the merger of Focsa and Construcciones y Contratas in 1992, the resulting company (FCC) has continued to maintain and promote diversification in the construction and services sectors, both within Spain and abroad.

Aside from growth through diversification, FCC has used another strategy to consolidate its position in the domestic and international markets. Back in 1912 Focsa had already acquired stone quarries in the cities of Ciudad Real and Colmenar Viejo in Madrid in order to guarantee its supply of raw materials in the face of a foreseeable increase in demand, given the need for paving the streets of Spanish cities with cobblestones. Nonetheless, the most striking vertical integration process – due to its repercussions and the investment required by the company – took place in 2002 when FCC took over Portland Valderribas, S.A. The target company, which was renamed Cementos Portland Valderribas, had been founded in 1903 in Navarre and had been on a strong growth path following the acquisition of several companies within the sector. The acquired company had cement factories across Spain, shares in Cementos Hontoria, Cementos Atlántico and Cementos Alfa, as well as investments in several companies on the American continent. As such, FCC bought one of the top companies in the cement sector in Spain. With the creation of its cement subsidiary, FCC ensured its supply of construction materials.

Following the merger of the two companies in 1992, their combined synergies fueled FCC's expansion within Spain and abroad. Some important milestones from this period include: a U.K. environmental management contract (1999); street furniture contracts in Brazil (2000), the Dominican Republic (2000), Genoa and Parma (2001), Miami (2002), Rio de Janeiro (2002), Brasilia (2002), San Antonio (2003), Belo Horizonte (2003) and New York (2006); the construction of highways in Canada, airports in Chile, the new T4 Terminal in Madrid's Barajas Airport and a dam in Mexico; the entry into the Eastern European market with the acquisition of ASA, a waste management company (2005); urban sanitation in Cairo (2002) and Buenos Aires (2004); and the water management contract in the United Arab Emirates (2012), among many other examples.

Along this path of growth, FCC has established some strategic alliances with foreign and domestic groups, such as the agreement with Vivendi in 1998 to promote the environmental division; the merger between Caja Madrid and FCC's real estate businesses in 2000 (which resulted in the creation of Realia Business); the entry of Ibersuizas in 2004 (which ended in

2007) and of the Peugeot family in 1998 (FCC's majority shareholder, controlled by Esther Koplowitz); and the alliance with Caja Madrid to create Global Vía Infraestructuras in 2007.

Building on the aforementioned strategies (diversification of business lines and markets, and vertical integration), FCC has attained spectacular growth in recent decades and has become one of the leading Spanish companies in terms of turnover. The company maintains its family business status and is currently managed by the second and third generations of the Koplowitz family. The company is chaired by Esther Alcocer Koplowitz, while her mother, Esther Koplowitz y Romero de Juseu, is the first vice president and main shareholder. FCC has over 80,000 employees and generated a turnover of €11.15 billion in 2012.

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United States

Olde Nourse Farm. 1722

The Olde Nourse Farm was established in 1722 by William and Ebenezer Nurse, two brothers who fled Salem after their grandmother, Rebecca Nurse, was convicted of witchcraft and hanged during the 1692 Salem Trials. Many are familiar with Rebecca Nurse's story, immortalized in Arthur Miller's *The Crucible* (1953). Family lore has it that the Nurse family changed its name to Nourse to escape continued persecution, although the pronunciation remained the same.

After the execution of Rebecca Nurse and the death of her husband Francis Nurse in 1695, one of her sons took charge of the family farm in Salem Village (currently Danvers, Massachusetts). Benjamin Nurse, Rebecca's second son and father to William and Ebenezer, moved to Framingham with his family, where he set up his own farm. In 1720 the brothers William and Ebenezer decided to break out on their own and they moved to Westborough, a town some 15 kilometers from Framingham. Two years later they had built what is known today as the Olde Nourse Farm.

The farm covered approximately 62 acres, some 25 hectares, in addition to a vast meadow. The property was self-sufficient, with several horses to do the farm work and a flock of sheep for producing wool. Shortly afterward, Ebenezer Nurse decided to leave the farm. However, he kept his ownership stake, which meant that the brothers would have to reach a mutual agreement in the event of a sale.

William Nourse married Rebecca Fay and, of their eight children, it was Daniel Nourse who took over after his father retired. Daniel died in 1805 and his son Benjamin inherited the farm. The next generational changeover came at the hands of Joseph Jocelyn Nourse who, upon his death in 1838,

left his wife, Sarah Merriam Nourse, in charge of the farm and his two-year-old son as the future heir to the business.

In the mid-19th century, a Nourse family member made an exceptional contribution to the country's agricultural industry. In 1842 Joel Nourse, a gifted blacksmith working on the family farm, designed a tool known as the Nourse Eagle Plow, an innovative plow with smooth uniform surfaces, ideal for tilling the rocky soils of New England. The invention revolutionized farming in the region and was the best-selling plow in the country for over a decade. One of these plows is currently housed in the National Museum of American History in Washington, D.C.

The family farm continued in the hands of Sarah Merriam Nourse until her son Benjamin came of legal age. Benjamin Alden Nourse was another member of the family who actively contributed to agricultural development and progress in the region as a whole. Benjamin became one of the most respected members of the community and held several public offices. Under his management, the family farm began a period characterized by growth and prosperity; between 1858 and 1870 the farm tripled in size, reaching 230 acres, following the purchase of an adjoining property owned by Benjamin's uncle, David Nourse.

Benjamin Alden Nourse also contributed to the farm's modernization. Under his management new facilities were built, including a barn that the family still owns today, and the number of crops skyrocketed, both in terms of diversity and quantity. Among others, the farm produced 57 different varieties of apples, which were sold in New England and even exported to England. Benjamin, in short, was a gifted and intelligent farmer, who also showed great interest in the technical advancement of agriculture. He participated frequently in talks and conferences. In this way he kept up to date with the latest agricultural and livestock techniques of the times, experimenting with them later at his own farm. The Nourse's heir also ventured into other businesses, such as the production of milk, which was then sold in Boston and other neighboring towns. The daily life of Benjamin Alden Nourse and his family is documented in his carefully written journals, which are part of the family heritage. His writings are valuable testimonies that evidence Benjamin's efforts to

expand and modernize the family farm, and they provide insight into his personal vision of the political events of the era.

The next generational changeover came at the hands of William and Arthur Merriam Nourse. The two brothers had worked on the farm since they were children and were the first members of the Nourse family to study at a university; William was trained as a lawyer and Arthur studied at the Massachusetts School of Agriculture. Their technical training, combined with the entrepreneurial and innovative spirit they had inherited from their father, gave a new boost to the family business. When Benjamin Alden Nourse died, Arthur took charge of the farm, following in his father's footsteps. The first decades of the 20th century ushered in an era of modernity and progress for the family business; in 1910 electricity arrived at the farm.

Arthur Lesure Nourse, Arthur Merriam's only son, known as *Sugar Nourse*, took charge of the farm in 1932, when the country was in the grip of the Great Depression. To make matters worse, in 1938 a hurricane destroyed nearly all of the farm's apple trees. Consequently, the family business lost one of its star products: the over 57 varieties of apples that Benjamin Alden Nourse had planted with such care. The farm had no alternative but to find a new direction; the area occupied by apple trees was replaced with crops and dairy production was promoted. The utmost attention was paid to caring for the milk, ensuring its quality and freshness. Moreover, the arrival of the first electric refrigerators made it much easier to preserve. In 1935 Arthur Lesure Nourse married Helen MacConnel and they had five children. The third, Jonathan Nourse, took over management of the family farm in 1978 and was responsible for launching a new business concept: "Pick Your Own Fruit Farm," which allowed customers not only to buy the fruit grown on the farm, but also to pick it with their own hands. This leisure-oriented initiative is currently one of the farm's leading activities.

Today, the Olde Nourse Farm is the 13th oldest family business in the United States. The 140-acre farm is a blend of modernity and tradition, dedicated to the production of strawberries, raspberries and cranberries, which it uses to prepare and sell succulent home-style jams and jellies. The

farm also grows grains and vegetables. The Olde Nourse Farm remains in the hands of the Nourse family and is currently headed by the eighth and ninth generations.

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Imperial Sugar. 1843

Acquired in 2012 by the French family group Louis Dreyfus, Imperial Sugar is the largest sugar refinery in the United States. Its origins can be traced to the cotton, corn and sugar cane fields purchased by the Williams brothers in 1843. The land was located in what was then the independent state of Texas, which joined the United States two years later. In 1853 the land was transferred to other partners who, in turn, sold it to E.H. Cunningham at the end of the Civil War. The new owner built a sugar refinery on an adjacent plot. Until the Civil War, the fields were worked by African-American slaves who were replaced by prisoners granted by the government after the war was over.

In 1906 Isaac H. Kempner and William T. Elderidge acquired the plantation and, in 1911, they changed the name of the company (formerly Oakland Plantation) to Imperial Sugar Company (ISC). The new partners put an end to prisoner labor and implemented a broad social policy that went a long way toward restoring the company's image; they built a town (Sugar Land) complete with homes, a school, a hospital, a church, stores, a telephone company, a newspaper and a bank, among others. Later on, growth in Houston made Sugar Land the preferred location for various companies to install their corporate headquarters. Land purchases also benefited the owners of the sugar plantation and gave rise to the creation of several real estate divisions.

In 1928 a disease destroyed the sugar cane crops, which were no longer grown in the area from then on. ISC was the only sugar refinery in the state of Texas to survive the Great Depression, aided to a large extent by a loan granted by the federal government in 1932 under favorable

conditions. During World War II, because of the official rationing system ISC also became the leading supplier of refined sugar in the neighboring state of Oklahoma. After the war was over, the Sugar Land Refinery processed 2.5 million pounds of sugar a year. In 1946 the Elderidge family sold its stake to its partner, making the Kempner family the sole shareholders. Two year later, Isaac H. Kempner was succeeded as chairman by his son Herbert, who died in 1953.

The company's great leap forward came in 1988, under the management of Herbert's two sons: James C. Kempner and Isaac H. Kempner III, who launched a horizontal growth process. That year, Imperial Sugar beat other bidders to purchase the Holly Sugar Corporation of Denver. Holly Sugar, a listed company, had eight beet-processing plants, complementary to the sugar cane plants owned by ICS. With this operation, Imperial Sugar doubled in size and, after the merger, changed its name to Imperial Holly. The Kempner family holding was gradually diluted, reaching 25% in 2001.

In 1996 Greencore Group, the Irish sugar refinery company, purchased 27% of the shares of Imperial Holly. That same year, the Sugar Land company acquired the California-based Spreckels Sugar and, in 1997, Savannah Foods & Industries of Georgia. Through these operations, Imperial Holly once again doubled in size, becoming the leading sugar refinery in the United States, with a market share of 33%.

The growth process involved significant vertical integration through the purchase, for example, of the candy company Wholesome Foods, LLC (Florida) and Diamond Crystal Specialty Foods, which sold packaged foods such as sugar, salt and pepper and an assortment of dietary supplements. According to *Food Processing* magazine, these acquisitions moved the group into 38th place among the largest food companies in the United States in 1996, 25 positions higher than in the previous year. In 1999 Imperial Holly recovered its former name: Imperial Sugar Company.

At the beginning of the 21st century, the group found itself in a critical financial situation. In the United States, sugar cane and sugar beet prices were kept artificially high by state subsidies to farmers, accompanied by a growth in global demand. Many sugar cane and sugar beet farmers joined together to form cooperatives when the time came to refine, in order to

sell the final product directly at lower prices than larger companies. A decline in the sales of Imperial Sugar, coupled with a rise in energy prices, created serious problems for the group, which was also debt-ridden as a result of previous investments.

In January 2001, Imperial Sugar filed for bankruptcy, from which it emerged in August after a refinancing of the debt and the planned sale of various assets, including companies that had been acquired in previous years. Following the restructuring of the debt, the Kempner family was left with ownership of less than 1%, losing 24% of its former shares. In 2003 the new management team closed the original sugar refinery in Sugar Land, which was deemed lacking in efficiency.

In January 2012, Imperial Sugar was acquired by the French family-owned company Louis Dreyfus Commodities. Founded in Alsace in 1851, by the start of the 21st century it had become a conglomerate operating in various sectors: agriculture, oil, energy, maritime transport and raw materials.

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The New York Times Company. 1851

The first copy of the U.S. newspaper the *New York Times*, originally called the *New-York Daily Times*, was published in New York City on September 18, 1851. It was founded by Henry Jarvis Raymond (1820–1869), a journalist and New York politician, and George Jones (1811–1891), a banker from Albany. The newspaper was published daily, except for Sundays, and soon met with great success. One year after its founding, Raymond and Jones created a new publication for the U.S. West Coast called the *Times of California*.

In 1846 the Associated Press was founded. This partnership between the five largest newspapers in New York, including the *New York Times*, was created for the purpose of organizing a pony express route through Alabama in order to carry news about the Mexican-American War more quickly than the U.S. Post Office could deliver it. From 1856, the year in which it was formally organized, it was led by Henry Jarvis Raymond.

Raymond died suddenly in 1869 and George Jones took his place as publisher. With Jones at the helm, the newspaper began to publish supplements in German, reaching out to New York's German residents – 25% of the city's population. In addition, it implemented many technological advances, such as the installation of electricity in 1882 in the Park Row main office, located in New York's financial district, or the first telephone, in 1886, 10 years after it was invented by Alexander Graham Bell. In 1883 the newspaper lowered its price to two cents, to compete with newspapers such as the *Sun* or the *World*, its main competitors. However, the price was raised again to three cents in 1891.

George Jones died in 1891. Five years later, Adolph S. Ochs, publisher of the *Chattanooga Times*, acquired the newspaper for \$75,000. At that

time, the *New York Times* had a circulation of 9,000 copies. Following the change in ownership, the newspaper began to introduce one innovation after another, such as the publication of an illustrated Sunday magazine or the creation of a biographical file, in an attempt to increase circulation and set itself apart from the competition. Another measure adopted by Ochs was to drop the price of the newspaper to one cent in 1898. As a result, circulation tripled in just one year, bringing about a considerable increase in advertising income. The increase in circulation made it necessary to move to new headquarters in Times Tower in 1905, which had to be expanded only nine years later. Ochs also promoted the geographical expansion of the newspaper; in the decade of the 1910s, copies of the newspaper began to be delivered by airplane to Philadelphia, Chicago and London.

On the threshold of the 20th century, the *New York Times* had reached a circulation of 76,000 copies. Its moderate editorial line, along with its sponsorship of various great deeds and its support for charitable causes, allowed it to differentiate itself from other newspapers and achieve international renown. These initiatives included sponsoring Robert E. Peary in his race to the North Pole in 1909 and articles about New Yorkers in need, which helped raise over \$3.5 million in 1912.

In 1918 the *Times* won its first Pulitzer Prize in recognition of the publication of documents concerning World War I. After the war was over, the *Times* continued adopting new technological advances; in 1919, the first trans-Atlantic deliveries by air were initiated and, one year later, the newspaper installed its own radio station in the main office, which published the first radio photo in 1926.

Adolph S. Ochs died in 1935 and was replaced as publisher of the newspaper by his son-in-law, Arthur Hays Sulzberger. Under Sulzberger's management, the newspaper introduced several publishing innovations, including the introduction of the first crossword puzzles in 1942, the publication of a fashion supplement *Fashions of The Times* in 1946 and the inclusion of daily weather information in 1949. Likewise, in 1944, the newspaper acquired the WQXR radio station for the broadcasting of classical music, which represented the first effort toward diversification of the business. Another important development was the creation of an

international edition, printed in New York and sent to Paris for publication on the following day. After the introduction of Teletypes in 1960, the newspaper managed to publish both editions simultaneously. In 1967 a partnership between the *New York Times* and the owners of the *Herald Tribune* and the *Washington Post* allowed for the publication of the new *International Herald Tribune* in Paris, a newspaper that would replace the international edition of the *Times*.

In 1961 Arthur Hays Sulzberger retired, and seven years later he died. His son-in-law, Orvil E. Dryfoos, took over management of the company until his death in 1963. At that time, Arthur Ochs Sulzberger, son of Arthur Hays Sulzberger, came into the position of publisher. Following the generational changeover, the newspaper continued to climb toward the leading positions in the communications sector. It launched its first Sunday editions and added new sections, some of the most noteworthy of which included Sports Monday, Home, Business or Science Times, among many others. In 1980 it began publishing a national edition; the pages were sent by satellite to Chicago to be printed and distributed throughout the country. In 2002 the edition was enlarged and new sections were added. During this era, the current group began to take shape following the acquisitions of a variety of specialized magazines, (*Golf Digest*, 1969; *Tennis Magazine*, 1972) and a number of local newspapers such as the *Courier* and the *Daily Comet* in 1980, both in Louisiana, and the *Boston Globe* in Massachusetts, in 1993. By the end of the 20th century, the New York Times Company had become a communications holding with interests in all segments of the market.

Arthur Ochs Sulzberger retired in 1992, although he stayed on as chairman until 1997 and was succeeded by his son Arthur Sulzberger Junior. In 1993 the first color pages were added and, three years later, the *Times* launched its website, letting it reach readers around the world without logistical constraints. Over the following years, a number of changes were made to the design of the newspaper and new publications were launched, including *T: The New York Times Style Magazine*, in 2004, and the *New York Times Sports Magazine*, in 2006.

Currently, the *New York Times* is the third-largest U.S. newspaper in terms of volume of circulation, behind *USA Today* and the *Wall Street*

Journal. Over the course of its history, the *Times* has received a total of 95 Pulitzer Prizes, the most prestigious award in U.S. journalism. The newspaper is part of the New York Times Company group, the majority of which remains in the hands of the Sulzberger family, descendants of Adolph Ochs. The company's main headquarters remain in New York, in addition to over 20 branches distributed throughout the country and 26 overseas news agencies. In 2012 the group generated a turnover of \$2 billion and employed over 5,000 workers.

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Levi Strauss & Co. 1853

The origins of Levi Strauss, one of the largest clothing firms in the world and a global leader in the manufacture of blue jeans, date back to the middle of the 19th century. Levi Strauss – whose original first name was Loeb – was born in the town of Buttenheim in Bavaria, Germany. After the death of his father in 1845 he emigrated, together with his mother and siblings, to the United States. The family business, J. Strauss Brother & Co., a dry goods business dedicated to rustic fabrics for setting up tents, stores, canopies and carts, was established in New York, where Loeb “Levi” Strauss would take his first steps as a business entrepreneur. He did not set out on his own, however, until 1853 when he moved to San Francisco. There, he opened his first dry goods store, under the name Levi Strauss. Ten years later, the company changed its name to Levi Strauss & Co.

At that time, Levi became aware of the huge potential market for trousers, due to the demand from miners who needed sturdy apparel that could withstand hard labor. That is how the first pair of Levi’s jeans was born; they were made of brown denim. Later, when Levi had used up all of the fabric, he decided to replace it with denim dyed blue. Blue jeans became extremely popular and the Strauss store moved to downtown San Francisco.

In addition to running the business in San Francisco, Strauss was also the sales representative for clothing and articles from the New York headquarters, run by his family. In 1872 Jacob Davis, a tailor who regularly purchased Levi garments to resell them on his own account, contacted Strauss to discuss complaints from his customers regarding the pockets of the work pants, which frequently came apart. To solve this problem, Davis came up with the idea of introducing metal rivets on the corners of the

pockets. Davis proposed a partnership with Levi to develop the innovation together and, in 1873, they registered the design with the U.S. Patent and Trademark Office. The first riveted Levi jeans were born.

The growth in sales and the popularity of the pants, recognized as “indestructible” among miners and ranchers, led Levi to open two new factories in San Francisco, on Fremont Street and Market Street. Some years later, a few changes were made to the design of the jeans. For example, in 1886 a leather patch was sewn onto the waistline, known as the “Two Horse Brand,” in which the image of two horses appeared along with the words, in red letters: “LEVI STRAUSS & CO,” “ORIGINAL RIVETED,” “QUALITY CLOTHING,” and “Every Garment Guaranteed.” Later on, numbers began to be assigned to identify the batches of pants manufactured; the first number was 501. Finally, in 1902, two back pockets were added and, in 1922, belt loops.

After the death of Levi Strauss in 1902, the company was inherited by the four sons of his sister Fanny, who was married to David Stern: Jacob, Louis, Abraham and Sigmund – the company’s current owners are their descendants, the Haas, resulting from the marriage between Walter A. Haas and Elise Stern, one of the heir’s daughters. In those years blue jeans had become the preferred work clothes, not only for miners, but also for farmers and other inhabitants of rural areas. However, Levi’s pants were still unknown in the major urban centers on the Eastern Seaboard and it was not until World War II when, thanks to the publicity and popularity provided by young Hollywood stars, blue jeans began to become a part of urban life. During the war years, changes were made to the design of the pants; the scarcity of raw materials led to the elimination of most of the metal rivets. The characteristic arched stitches on the back pockets (“Arcuate Stitching Design”) also underwent changes; since they were not considered an essential component of the pants, the company was ordered to eliminate them. Levi Strauss opted to paint them on instead, to avoid losing one of the most differentiating elements of the brand. Nevertheless, the war years gave the brand tremendous publicity on the European continent; U.S. soldiers wore Levi’s jeans, shirts and jackets.

In the 1950s, the company began to sell its products in Europe and Levi’s blue jeans soon became the favorite clothing item among teenagers.

In 1963 the company launched new models on the market, such as Levi's preshrunk, a previously washed model that would not shrink later with successive washings and use. However, it would be a Japanese invention, known as "stone wash" that would give Levi's their worn look. The company continued to introduce other changes in the design of its famous jeans, while also developing new models: in 1966, the back pocket rivets were eliminated; in 1981, the first line of Levi's 501 jeans for women was created and 1996 saw the launch of the first vintage line.

In 1971 the company decided to go public with part of its capital, while holding on to a stake that would guarantee the family's control of the company. The stock market transaction was a success, at least in the early years. The arrival of outside capital allowed Levi Strauss to implement a diversification strategy, with the opening of new plants in both the United States and Europe and the launch of new products – which went as far as manufacturing ski apparel. However, the crisis of the 1970s put a halt to this growth. In 1973 the company announced quarterly losses and its shares plummeted on the market. The Haas family decided to withdraw the company from the stock market and, in 1985, it launched an offer of \$50 per share, twice the trading value at the time. The share repurchase operation was completed in 1996. Since then, the Haas family continues to control 100% of the company's capital.

In spite of the fact that the patent registered by the brand founders expired over a century ago, the Levi Strauss brand continues to be a world leader in the blue jeans market. According to the special Millennium edition of *Time Magazine*, published in the year 2000, Levi's 501 jeans rank as the most influential clothing item of the 20th century, ahead of the miniskirt. Currently, Levi Strauss & Co. is present in 37 countries and employs 17,000 people. In 2012 it obtained revenues of \$4.6 billion. The company has a global reach through its franchises, official distributors and joint ventures. The product line includes not only traditional blue jeans, but also other types of pants, jackets, shirts and accessories, including shoes, socks, belts, wallets, watches and eye glasses, which are sold under three brand names: Levi's, Dockers and Slates.

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Cargill. 1865

The Cargill food and agriculture group, one of the largest family companies in the United States in terms of sales, was founded in 1865, just after the Civil War. It was founded by William Wallace “W.W.” Cargill, who began by setting up a grain storage facility in Conover, Iowa, where after a time he was joined by his brothers Sam and James.

W.W. Cargill soon expanded his activities to include the construction of silo lifts, livestock, flour milling, coal, insurance, wood and railroads: pursuing vertical integration in the field of agriculture.

The Cargill center of operations gradually moved toward the north, in parallel to the establishment of railroad lines and the repopulation and development of new territories, rich in cereal crops. The company’s headquarters were set up in La Crosse, Wisconsin, an important railroad crossing.

While the family business continued to grow, William S. “Will” Cargill, the founder’s son, launched an extravagant investment in Montana on his own account, but with the approval of his father. It was a real estate project that included a settlement, the construction of a dam and a railroad line. Technically, the project was to be financed through the purchase and sale of cattle, but it had a highly speculative component that eventually became a heavy burden for the Cargill Group.

After the founder’s death in 1909, the group was not generating sufficient resources to cover its debts. The responsibility of refloating the company fell to John H. MacMillan Senior, who was married to one of the founder’s daughters. He had joined Cargill in 1898, taking on positions of increasing responsibility until he became W.W. Cargill’s closest collaborator.

To avoid bankruptcy, MacMillan renegotiated a delay in payment with creditors, sold some assets and, for the first time, introduced sound audit and financial control functions in the group. In six years, Cargill satisfied the company's commitments with creditors, aided by the rise in the price of grains resulting from the involvement of the United States in World War I.

During the restructuring process, John MacMillan Senior earned the animosity of his brother-in-law, Will Cargill, who was responsible for the unfortunate investment in Montana. In 1910 the company constituted its first Board of Directors that included independent members, of which Will was not a member. The main headquarters were moved from La Crosse to Minneapolis.

After suffering a heart attack in 1932, John MacMillan Senior cut back on the time he dedicated to the company and his son, John Junior, was appointed assistant general manager. Four years later he took over the top executive position: the executive chairmanship of the Steering Committee. His father maintained his position as chairman of the Board of Directors until his death in 1944.

During World War II, Cargill built several ships for transporting grain, commissioned by the Department of the Navy of the U.S. government. However, the decline in international trade and the closing of some markets reduced the sales of its habitual products, forcing the company to enter new sectors, such as the processing of soy, seeds and vegetable oil. Cargill also grew by acquiring other companies. In the 1930s and 1940s, Cargill established a presence in Canada, the Netherlands and Argentina. In 1953 it opened a branch in Belgium – Tradax (later transferred to Switzerland) – to coordinate activities in Europe.

In 1957 Austen Cargill died; he was the youngest son of the founder and had held various management positions. Three years later John MacMillan Junior died and his brother, who had been appointed chairman that same year, had a stroke. This series of illnesses and deaths accelerated the group's professionalization; in 1960, for the first time a non-family member, Erwin Kelm, who had nearly 30 years of experience with the group, took over the top executive position. When he retired in 1977, he was succeeded by Whitney MacMillan, the last living member of the

founding families to hold the position of CEO. He was succeeded by Ernst Micek (1995), Warren Staley (2000) and Gregory Page (since 2007).

Cargill presented its first annual report to shareholders in 1964. Sales reached \$2 billion and the company employed 5,000 people. Starting in the 1970s, the company enhanced its internationalization and diversification with activities related to the processing of meat (beef, pork, chicken) and citrus fruits, as well as the oil and metals trade, fertilizers, etc.

In 1990 the group had subsidiaries in 57 countries and a workforce of 55,000 people. During that period, a certain uneasiness began to arise among the founder's descendants, who were unable to sell their shares; they either disagreed about the standard policy of reinvesting the majority of the profits or they wanted to cash in on their investment. For the sake of agreement, the management agreed to pay dividends of 10% of the profits per year. Since the idea of going public had been tabled, in 1993 the company purchased the shares from family members who wanted to sell and transferred nearly 17% of the capital to interested employees, some 25,000; this holding was reduced over the years.

In 2013 the Cargills and the MacMillans held 88% of the shares. The group was present in 65 countries, with 142,000 employees and revenue of \$133.9 billion. Its activities were grouped into four areas: food, agriculture, financial services and industry.

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Campbell Soup Company. 1869

The history of Campbell Soup, one of the most well known and successful companies in the United States, began in 1869. The inspiration for the business venture came from two entrepreneurs: Joseph Campbell and Abraham Anderson, who joined forces to create a business dedicated to the production of canned tomatoes, vegetables, condiments, soups and ground beef. The company was called Joseph Campbell Preserve Company and its first plant was set up in Camden, New Jersey.

The partnership between Campbell and Anderson lasted for a little under 20 years. In 1887 Joseph Campbell acquired Anderson's stake and entered into a partnership with Arthur C. Dorrance, who became the company's new CEO. The two partners changed the name of the company to Joseph Campbell & Company. In 1894 Arthur Dorrance replaced John Campbell as chairman, signifying the end of the Campbell family's relationship with the company. Fully retired, Campbell died six years later. At that time, Campbell Soup began to stand out for its carefully designed and innovative marketing strategies. In 1895 it put ready-to-eat canned tomato soup on the market. An advertising committee created for the purpose ordered the installation of 100 billboards to provide visibility for the product in the cities of Philadelphia, New York and St. Louis.

In 1897 Arthur Dorrance hired his nephew, Dr. John T. Dorrance, a 24-year-old chemist. With a starting salary of \$7.50 a week, Dr. Dorrance invented a formula for making condensed soup using a process to eliminate the water in canned soup. It was a revolutionary innovation, which resulted in significant cost savings; in fact, eliminating water from the product meant removing its heaviest component and, with it, a large

portion of the transportation costs. Thus, canned soup went from weighing 907 grams to weighing just 283 grams. The same occurred with its price, which was reduced from 34 to 10 cents. The first five varieties of soup to be sold in the new condensed version were tomato, consommé, vegetable, chicken and oxtail.

However, Dr. Dorrance's contribution was not limited to just condensed soups. He also made advances in the strategic and commercial dimensions of the business. The key for him was the discovery that if you wanted to increase sales of a new product line, you had to create a need among the general public for its consumption. To that end, he developed an advertising campaign based on offering samples to convince consumers that not only should they include soups in their daily diet, but that Campbell's condensed soups were the ideal way to do so.

Innovations in product marketing have been a constant in the history of Campbell Soup. In 1898 the company changed the presentation of its products, with the canned soup labels taking on their characteristic red and white colors, a design that would become the company's flagship and which was awarded a gold medal at the Paris World Fair in 1900, the same medal that is still a distinguishing feature of its labels. Four years later the famous Campbell Kids appeared: a series of young characters who were featured in the Campbell soup advertisements. They were designed by Grace Widerseim, an illustrator from Philadelphia, and they become so popular among children that postcards, lapel pins and other merchandising items were soon put on the market. In 1910 they were made into dolls, which the brand offered in their promotions and which were highly popular in a number of cities. That same year, Dr. John T. Dorrance was appointed CEO of the company.

In 1914 the brand's first advertisements were published in magazines, and Dorrance gave very precise instructions as to their placement; the advertisement must always appear on the page immediately following the first journalistic content, that is, on an odd page facing the page of text. That same year, Dorrance took over chairmanship of the company and, after acquiring all of the shares that had belonged to his Uncle Arthur, he became the company's sole owner. In 1921 the John Campbell Company

was dissolved and sold for one symbolic dollar to the new Campbell Soup Company, whose name reflected the importance of its star product.

Dr. John T. Dorrance died in 1930 and was succeeded by his brother, Arthur C. Dorrance, who quickly demonstrated that he was of the same mind with respect to geographic growth; during that same year the company opened its first foreign subsidiary, the Campbell Soup Company Ltd. of Canada. In parallel, the brand began to advertise on the radio, adding music to its well-known slogan "M'm! M'm! Good!" to create a jingle. Two years later, the company crossed the Atlantic and opened a production plant in Great Britain.

After World War II, Campbell Soup opted for the diversification of its business. In 1948 the company acquired the V8 juice brand which, at that time, had a 15-year-long history but not much success. In its new Campbell era, V8 was heavily advertised and became one of the best-selling brands in the United States. Ten years later, it was already trading on the New York Stock Exchange and the company took a new international leap with the creation of a subsidiary in Mexico and then, in 1961, in Australia.

The 1960s were particularly representative for Campbell Soup and its soup cans, which gained international popularity. The responsible party was a commercial illustrator who, over time, rose to great popularity as a writer, publisher and movie director: Andy Warhol. On July 9, 1962, in the Ferus Gallery in California, Warhol launched his first solo exhibition, marking the debut of pop art on the U.S. West Coast. His work, known as *32 Campbell's Soup Cans*, consists of a series of 32 canvases, each one representing a different variety of soup. That year also marked the arrival of Jack Dorrance, son of John T. Dorrance, as chairman of the company.

As far as the diversification of its products was concerned, Campbell launched the Manhandler brand in 1969, in response to the demand for a heartier soup for male consumers and, in 1970, the Chunky line of ready-to-eat soups appeared. During the 1960s, as frequent changes were taking place in the executive sphere, the company launched a few new products: Prego sauce in 1981 and Campbell's Home Cookin' in 1983.

In 1994 the year that the company celebrated its 125th birthday, Campbell changed its original design, which had remained unaltered since

1901. For the first time, the labels began to include pictures of the products they contained. That same year, market research revealed that, on the average, each American home had eight Campbell products on its shelves, while, on a global scale, no less than 100 cans of a Campbell brand were sold every second. During this period, several companies were acquired: Pace (1995), the leading sauce brand in Mexico; Greenfield Healthy Foods (1995), leader in the diet brownies sector; Erasco (1997), the top canned soup in Germany; and Liebig (1997), number one in France.

With the arrival of the 21st century, Campbell relaunched the slogan “M’m! M’m! Good!”, which became the hallmark of all its advertising. In addition, between acquisitions and new launches, its line of products and brands expanded steadily. Among the acquisitions, the most noteworthy companies included: Oxo, Batchelors, Heisse Tasse, Blå Band and Royco; and the new launches included: convenience food – Campbell’s Supper Bakes; sauces – Prego Pasta Bake; cookies – Pepperidge Farm Dessert Bliss and Pepperidge Farm Giant Goldfish Sandwich Crackers; sponge cake – Arnott’s Emporio; instant soups – Campbell’s Soup At Hand.

In spite of the fact that people outside of the Dorrance family have occupied top management positions since the 1970s, ownership continues in the hands of the family. Mary Alice Dorrance, granddaughter of John T. Dorrance, is the majority shareholder. Currently, Campbell Soup is present in 120 countries and is one of the most deeply rooted brands in the culture of the United States. In 2012 the company obtained revenues of \$7.7 billion and had a workforce of 17,000 people.

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Follett Corporation. 1873

The Follett Corporation was founded in 1873 when Charles M. Barnes opened a small used bookstore in Wheaton, Illinois. Three years later, the business moved to Chicago, where it took on the name of CM Barnes & Company. Charles took advantage of the move to expand the product range, including new books, stationery and school supplies.

In 1901 Charles W. Follett began working in the company as a stock clerk. Just one year later, Charles M. Barnes retired and his son William became chairman. During that period the company expanded dramatically, selling used books across the U.S. Midwest, as far away as Oklahoma.

In 1908 the control of the company took a new turn; John Wilcox, William's father-in-law, became the main shareholder and the company was given a new name: C.M. Barnes-Wilcox Company. Four years later, the young Charles W. Follett, noted for his good business sense, moved up to take on a key management role; he acquired a block of shares and was appointed vice president. In 1918 after purchasing all the shares owned by William Barnes, John Wilcox and Charles W. Follett, the name of the company was changed to JW Wilcox & Follett Company.

Shortly after the death of John Wilcox in 1923, Charles W. Follett and his wife, Edythe, purchased 100% of the company's capital. During that period, Follett's three oldest sons joined the company: Bob, Garth and Dwight. As a result of the innovative ideas and enthusiasm they contributed, the company experienced steep growth over the following decades. Follett's youngest son, Laddie, joined the family business in 1930, the year in which the company founded the Follett College Book Company, dedicated to the retail sale of textbooks for professors and university libraries.

In 1952 the second generation of the family took control of the company, following the death of Charles W. Follett. Dwight was appointed chairman and he gave the company its current name: Follett Corporation. Dwight managed the company for a little more than two decades and was succeeded by his son Robert.

In the 1990s, the company underwent a new period of expansion, characterized by strategic partnerships and acquisitions of other companies. Under the management of Dick Traut, son-in-law to Robert Follett, the company entered into a joint venture with Internet Systems, Inc. to create Library Systems & Services LLC in 1997, a company providing management and administration services to public libraries, schools and businesses throughout the country. In addition, Follet purchased Book Wholesalers, Inc., a distributor of children's books for public libraries.

The company celebrated its 125th anniversary in 1998, taking advantage of the occasion to strengthen customer loyalty and reorganize the company around three business units: higher education, elementary and high schools and bookstores. One year later, Dick Traut retired and Ken Hull was appointed as chairman and CEO of the company. This changeover, which coincided with the creation of the official website, marked a milestone in the history of the company; Hull was the first executive manager of the Follett Corporation who was not a family member.

Christopher Traut was elected CEO of the company in the year 2000, taking over for Ken Hull who, nevertheless, continued to hold the position of chairman. A decade later, Charles R. Follet took charge of the company, assuming both the chairmanship and the executive management. In that year, the Follet Group achieved an important business status, ranking 155th on the Forbes list of the largest private companies.

The Follett Corporation currently remains in the hands of the family, who have managed to transmit and maintain a business culture based on the values of education, hard work and personal excellence. The company is chaired by Alison E. O'Hara and managed by Mary Lee Schneider. Alison E. O'Hara, a member of the Follet family, joined the company in 1999 and has been chairman since 2011. In turn, Mary Lee Schneider, known as an

innovative leader with extensive experience in new technologies, has held her position since 2012, the year in which she replaced Charles Follet.

The group is divided into five large business units that cover the educational needs of the student community: Follett Higher Education Group, the largest U.S. operator of university bookstores; Follett Library Resources, dedicated to the distribution of books and digital resources for elementary schools; Follett Educational Services, which buys and distributes used books, study guides and other types of educational material; Follett Software Company, a supplier of technology solutions for educational centers; and Follett International, responsible for distributing technology and education solutions in over 150 countries. In 2011 the Follet Group obtained revenues assessed at \$2.7 billion and employed over 10,000 people.

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Gilbane. 1873

The origins of the Gilbane Building Company date back to 1873. It was founded by William Gilbane, a carpenter born in Ireland, and his brother Thomas. The company, originally called William H. Gilbane and Brother, was established in Providence, Rhode Island, where it provided carpentry services.

The high quality of the work performed by the Gilbane brothers promptly earned them an excellent reputation, which in turn allowed them to expand the business into the construction sector. Over the years, they received an increasing number of contracts, not only for the construction of housing, but also of churches, hospitals and other public buildings. In this way, the company grew steadily during the last years of the 19th century and the first years of the 20th, as second and third-generation family members joined the ranks.

The brothers Thomas F. and William J. Gilbane, belonging to the third generation, entered the company in the 1930s. Their leadership was key in sustaining the family business during those difficult years and giving it a renewed impetus. The two brothers graduated from Brown University and clearly understood that the company needed to become more professional and get involved in project management on a larger scale. The most representative projects arrived in the era of World War II, when Gilbane implemented several successful projects for the Department of Defense – all of which were completed within deadlines and on budget.

The success of this business division led to the founding of Gilbane Properties Inc. in 1970 – today the Gilbane Development Company – a subsidiary specialized in the comprehensive development of construction projects. Its services included financing, needs assessment, negotiation of

financial incentives, property transactions and the underwriting of debt or stocks, as well as customer-specific construction solutions. In parallel, Gilbane established another subsidiary – Gilbane Building Company – dedicated to the management and development of public projects. During the 1990s, the company built the Air and Space Museum in Washington, D.C., and the facilities for the Winter Olympics in Lake Placid, New York, among other projects.

Thomas F. Gilbane died in 1981 at the age of 70, leaving his brother William in charge of the family business. During the final 20 years of the 20th century, the company pursued a path of growth through the development of new projects, including most notably the construction of the O'Hare International Airport Terminal in Chicago, the Vietnam Veterans Memorial in Washington, D.C., and the George R. Brown Convention Center in Houston.

At the end of the 1990s, Gilbane had some 20 offices distributed throughout the United States and was ranked among the 10 largest construction companies in the country. The greatest challenge it faced during those years was the improvement of its communications system, which suffered from serious deficiencies. For this purpose it formed a partnership with Atrion Networking Corp., another Rhode Island company, to develop a new IT system that would provide for better internal corporate communications.

During the 1990s, the company received the Build America award from the Associated General Contractors of America (AGC) on several occasions for its work on the Baltimore Convention Center (1997), for the design and construction of the Wallens Ridge Prison (1998) and for the New Jersey State Capitol Dome restoration project (1999).

The generational changeover at the company coincided with the turn of the century. In 2000 Robert V. Gilbane moved up to become chairman of the group. This new era was distinguished by the projects for the construction and improvement of 31 of the country's school districts, a job in which the company took great pride. The group also collaborated with many private companies and its clients included eight of the largest corporations in the United States: General Motors, Exxon Corporation, General Electric, IBM, AT&T Corporation, Mobil Corporation, Chrysler and

Pfizer. Government agencies, universities, hospitals and other public entities round out the client list.

Currently, Gilbane is one of the largest contracting and construction companies in the United States. In 2012 it obtained revenues of \$2.9 billion and employed 2,500 people. Gilbane continues to be a family business, an aspect that the company highlights as one of the factors that has enabled it to enjoy a century and a half of continuing history. Thomas F. Gilbane, a fifth-generation family member, is currently CEO of the company.

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SC Johnson & Son. 1886

After several failed business attempts, Samuel Curtis Johnson moved to Racine, Wisconsin, in 1882. There he began working as a parquet floor salesman with the Racine Hardware Company. Four years later, Johnson acquired the company and established his own business, which he called SC Johnson.

Not long after taking charge of the business, SC Johnson's customers began asking for products to help preserve and care for their wood floors. The entrepreneur did some research and came to the conclusion that the best way to keep wood floors looking like new was to use beeswax, which had traditionally been used in the castles of France for over 300 years. Johnson tested, mixed and packaged the paste wax in a tube, which he sold to customers to be used after their floors were installed. The popularity of the new product – Johnson's Prepared Paste Wax – spread rapidly among the company's customers. In 1888 the fame of the product reached the entire country after Johnson published his first advertisement in the *Saturday Evening Post*. The success of the sales of wax products gradually displaced the traditional business of parquet floors, until this business was finally abandoned in 1917.

Samuel Curtis Johnson died in 1919, at the age of 86. At that time, the company had over 200 employees in the United States. Johnson's Wax had become very popular inside and outside of the country and the company already had subsidiaries in the United Kingdom and Australia. Herbert Fisk Johnson Senior, son of the founder, joined the company in 1888. Father and son formed an official partnership in 1906 and changed the name of the company to SC Johnson & Son. During their partnership, the company

introduced a number of employee benefits policies, including paid vacation (1900), group life insurance and an annual percentage of pretax profits to be shared among them (1917).

Herbert Fisk Johnson took over as chairman of the company following the death of his father. Aware of the importance of chemistry and technology in the development of the business, in 1919 the founder's son built the first organized research laboratory and, at the same time, sent his son Herbert Fisk Johnson Junior to Cornell University to get a degree in chemistry. Under his management, the company expanded its product range – cleaning, restoration, preservation and maintenance of parquet floors – and established a subsidiary in Canada.

In 1929 Herbert Fisk Johnson Junior, a third-generation family member, was appointed chairman and CEO of SC Johnson & Son after the sudden death of his father the previous year. The company then had 500 employees and its sales had reached \$5 million. Herbert Fisk Johnson Junior was able to manage the business during the Great Depression without firing a single worker, even when sales dropped 40% to fall below \$3 million in 1933. He established subsidiaries in over 20 countries, expanded the product range and paid close attention to the company's human capital, offering pension plans and health care benefits to employees. Another pillar of management came in the form of promoting research and development. Thus, in 1935, a young Johnson set out on an expedition to the Brazilian jungle to look for new plantations of the Carnauba palm, studying its properties and the cost of farming it. This palm wax was a key ingredient used by the company to manufacture its waxes. After this trip, and with a clear business vision, Herbert took the most decisive steps for making the company into the leading national manufacturer. He entered into an agreement to sponsor the weekly Fibber McGee and Molly show, in the growing radio entertainment sector, providing national visibility to Johnson Wax. He also hired Frank Lloyd Wright, one of the finest contemporary architects, to design the company headquarters in Racine, which opened in 1939. The design of the headquarters was revolutionary for its time: an open plan organization, which was intended to foster the proliferation of ideas and spontaneous interaction between employees in different departments.

The fourth generation of the family joined the company in 1954. Samuel C. Johnson, son of Herbert Fisk Johnson Junior, began to work as his father's assistant and, after a year, took on the position of director for new products. At that time, the business consultants called his attention to the need for innovation and product diversification. Samuel followed this advice to the letter and, two years later, there were four new products that turned out to be successful: Raid Insecticide, Off! insect repellent, Pledge Furniture Polish and Glade Air Freshener. Around 1960, these products accounted for 35% of the company's sales in the United States.

Samuel C. Johnson was appointed chairman of the company in 1966, after his father suffered a stroke from which he never completely recovered. During the 1970s and 1980s, Samuel further diversified the lines of manufactured products, turning SC Johnson & Son into one of the leading manufacturers of cleaning and household care products. He also introduced the company into new sectors, such as financial services and leisure, and increased the international presence of the firm to 45 countries.

Samuel was the father of four children who, in 1989, participated in the business with different positions: Curt, 34, worked in the department of business development, mergers and acquisitions; Helen, 32, was in product marketing and management; Herbert Fisk, 31, worked in new products and technologies and lastly, Winnie, 30, was the public relations manager. After the death of Samuel C. Johnson in 2004, Herbert Fisk succeeded his father in the management of the company and he is currently chairman and CEO. At that time, the company had 3,000 employees in over 50 countries; it had acquired several companies in the sector – Drackett in 1992; Dow Chemical, in 1997; Texize, in 1986 – and had annual sales of \$1 billion.

Currently, SC Johnson & Son offers a wide range of products for household care and cleaning. The company is present in over 70 countries, employing some 13,000 people. In 2012 it obtained revenues of \$9.4 billion.

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Bechtel Corporation. 1898

The origins of the Bechtel Group can be traced to the construction of the North American railroad network. In 1898 Warren A. Bechtel emigrated to the West with his family to do odd jobs for the railroad companies. Due to his tenacity, initiative and expertise, he was hired to act as superintendent for the construction of several sections of highway and railroad tracks. In 1909 he purchased his first steam shovel and stamped it with the name of his fledgling company: W.A. Bechtel Co. That same year he won his first contract, from which he made a small profit. One year later he was subcontracted for the construction of two sections of railroad tracks on the California-Oregon line, at a considerable profit.

The second generation of the family – Warren Jr., Steve and Ken – had a close relationship to the company since childhood and they all joined the firm after World War I. Around that time, Bechtel signed its first highway construction contract. This initial diversification of the company gave rise, in successive years, to its entry into new sectors, such as oil and gas production and transportation.

In 1925 Warren A. Bechtel's three sons joined the company, along with Art, the founder's youngest brother. The arrival of the second generation allowed the founder to focus on the search for new markets and business opportunities. Each project was distinguished by the Bechtel family's initiative and capacity for innovation, through the continued implementation of new methods and ideas for cutting costs and improving the utilization of resources. At the end of the 1920s, the company was already building its first oil pipelines and, in 1926, it built its first dam. After the Crash of '29, W.A. Bechtel helped form a consortium of companies (Six Companies, Inc.),

along with several former partners, to enter a bid for the construction of Hoover Dam on the Colorado River. After winning the bid in 1931, construction began and was completed in 1936. Three years later, W.A. Bechtel died and his son Steve was chosen to run the family business.

In the 1930s, the Bechtel Corporation successfully took advantage of the numerous infrastructure projects that were put up for tender to revive the U.S. economy; in collaboration with various partners, the company built new dams, highways and tunnels. During that decade, the Bechtels also built their first bridges, after founding Bridge Builders, Inc. specifically for that purpose; they began construction on the first section of the Bay Bridge to connect Oakland and San Francisco in 1933.

In 1936 following the development of a new coating for pipes that increased their lifespan fivefold, a subsidiary company was created: Industrial Engineering Co. That same year, the company was reorganized and split into two: W.A. Bechtel Co., dedicated to the company's traditional earthworks activities; and S.D. Bechtel Co., oriented toward the other lines of business. Upon detecting a lack of refinery construction companies in the Western United States, S.D. Bechtel Co. brought in new partners to form Bechtel-McCone-Parsons Corp. (BMP), which built its first refinery in 1937. In barely four years, BMP had launched the construction of 11 refineries.

The 1940s were characterized by the company's internationalization. In 1940 the first oil pipeline was built in Venezuela for Standard Oil, a project that included highways, ports and even telephone lines for the Venezuelan government. The first projects in the Middle East began in 1943, and development in Saudi Arabia turned out to be key for the company. There, it contributed to the construction of the Tapline Oil Pipeline, which transported oil from the Arabian Gulf to the Mediterranean.

The expansion of the oil industry led Steve Bechtel to create a ship-building company, together with several partners, which was given a boost following the outbreak of World War II due to the growing demand for ships. As a result, Bechtel began to build ships on a large scale and became one of the most prominent and productive shipping companies in the United States. The company also contributed to the war effort in

many other ways; plants were set up to modify bombers and restore different types of vehicles, and military bases and explosives manufacturing plants were also built, among other projects. The company was also responsible for expanding the military base in the Philippines, which was destroyed before its completion during an air raid in which many workers died or were taken prisoner. In addition, Bechtel was responsible, together with other partners, for the construction of the Canol Oil Pipeline, designed to ensure the oil supply necessary for the defense of territories in Alaska.

After the end of the Second World War, the company was reorganized and it got rid of the war-related businesses. The firm was divided into W.A. Bechtel Co. and Bechtel-McCone until 1945, when it became a single company: Bechtel Brothers McCone Co. (BBM). Steve Bechtel temporarily left his position and, for the first time, the company was managed by someone who was not related to the family: Bill Waste. Under his management, the company continued with the construction and improvement of gas pipelines and it took its first jobs in the electricity sector; it also built factories for companies such as H.J. Heinz and General Mills. Following Steve Bechtel's return to the company a year later, it was modernized and structured into divisions according to the different business lines. In addition, Bechtel was reoriented toward the services sector, setting as objectives the intensification of the internationalization process and the diversification of key sectors.

The national and international expansion that took place in the 1950s gave rise to the creation of new departments: the International Division, the Scientific and Nuclear Development Division, Arabian Bechtel Corp. and Bechtel Méditerranéenne, among others. The company also entered into new sectors, such as hotel construction, without setting aside the areas where it was already operating. Special emphasis was placed on the nuclear power segment, in which the Bechtels anticipated strong growth; they formed the Nuclear Power Group (NPG), which carried out its first project in 1957. Along other lines, they pursued the vertical integration of the company's activities, in order to control all stages from the conception to the conclusion of a project.

In 1960 Steve Bechtel Senior retired and his son Steve Junior took over, the third generation of the family to run the company. During this decade, the company undertook major projects, such as the construction of various oil pipelines and refineries abroad; it also strengthened its work in the mining and metalwork sector. Bold projects in the field of nuclear power and a constant attention to research, resulting in important innovations, allowed Bechtel to continue as one of the leading companies in the nuclear industry, in spite of strong competition. The company was also responsible for the construction of the first liquefied natural gas export plant in North America, as well as a major hydroelectric plant in the Churchill Falls.

The 1960s were marked by the expansion of international business and contracts for major projects. During that decade, drilling platforms were built in the North Sea and, a few years later, in Norwegian and Canadian waters. The company also began construction on an industrial city in Saudi Arabia, a project that is still ongoing. The diversification pursued during that period was carried out in complement to the company's main business, through the acquisition of holdings in companies dedicated to the exploration and development of gas and oil fields. This expansion strategy was accompanied by the creation of diverse subsidiaries within the company, dedicated to thermal energy and financial services, among others.

The parent company, Bechtel Group, Inc., was constituted in the 1980s. In 1986 the company underwent another restructuring process with the creation of new subsidiaries and divisions and a renewal of management. In addition, Riley P. Bechtel, Steve Junior's son, joined the company as manager of the London subsidiary and was named chairman of the Board and CEO in 1989. The 1980s were marked by the global economic crisis and the ensuing drop in energy consumption, which resulted in heavy losses for the company. This was further aggravated by increased competition at an international level. However, the company's technological advances led to new contracts and prevented further losses. Some of the most noteworthy of these new projects included the construction of gold and copper processing plants in Papua New Guinea and seawater treatment plants in Alaska. Entering into new markets and segments was crucial and,

in this vein, the company implemented new training methods, adapted prices and began using more aggressive marketing strategies.

In response to the rapid changes in demand and the increased competition of the 1990s, the company launched several initiatives to enhance its added value: for example, a redesign of its structure, the redefinition of its goals and mission statement, and the enhancement of its leadership capacity and market analysis, in order to improve efficiency. After the Gulf War, during which many company employees were taken hostage, Bechtel collaborated in the reconstruction of the facilities that had been destroyed by the Iraqi troops in Kuwait. In addition, the company collaborated in the construction of the launch platform for the *Mars Observer* spacecraft at Cape Canaveral and undertook the construction of airports and major infrastructures. The growing interest in environmental protection led to more projects for the company, such as the construction of waste processing plants for the U.S. Navy or the construction of solar energy plants.

Growing globalization gave rise to a new restructuring process of the company in the early years of the new century, this time to organize the different branches of business on a global level. At that time, the company focused on the sectors with the greatest growth potential, such as civil engineering, natural gas, the petrochemical industry, petroleum-based products, mining and metals. It also entered into new sectors, such as telecommunications, and consolidated its position as a partner with the U.S. government, through the construction of various infrastructures. The company was also commissioned by the government to build temporary residences for people affected by Hurricane Katrina in 2005. The company continued to adopt new systems to improve quality and efficiency, such as Six Sigma, in the year 2000. In 2012 Bechtel employed 53,000 people and its business turnover reached \$37.9 billion.

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Cox Enterprises. 1898

The origins of the media conglomerate Cox Enterprises date to 1898, the year in which James M. Cox acquired the *Dayton Evening News* in Ohio. Cox, a former schoolteacher and news reporter for several Ohio newspapers, set out on the path of becoming an influential publisher; in 1905, he acquired the *Springfield Press-Republic*, which he renamed the *Springfield Daily News*, and he established the News League of Ohio publishing chain.

James Cox's success with the newspaper, which is still published today under the name *Dayton Daily News*, led him into the realm of politics. He became governor of Ohio in 1913 and in 1915 he was the Democratic nominee for president of the United States. After losing the election to Warren Harding, James M. Cox did not return to politics until 1933, when President Roosevelt appointed him as a delegate to the World Monetary and Economic Conference in London.

In 1923 now completely focused on his business activities, James M. Cox acquired the *Metropolis Miami* of Florida, changing its name to the *Miami Daily News*, and the *Canton News* of Ohio. Seven years later his assets included another newspaper: the *Springfield Sun*, also in Ohio. In 1935 the company began to diversify its portfolio and under the initiative of James Cox Junior, the founder's son, Cox Enterprises established the first radio station in Ohio: WHIO-AM. In 1939 the company acquired another radio station (WSB), the oldest in the Southern states. Although radio broadcasting provided widespread popularity, the company did not neglect its core business, print news, and in 1939 it purchased the *Atlanta Journal*, a newspaper that had been founded in 1883. This acquisition was accompanied two years later by

the purchase of the *Constitution*, another Atlanta paper, making this city the hub of its press and communications business.

At the end of the 1940s, the company took another step toward the diversification and horizontal integration of the business with the opening, in 1948, of its first television channels. The leading television channel in the Southern United States, WSB-TV, began broadcasting from Atlanta and, one year later, WHIO-TV began its activity, broadcasting from Dayton.

After the death of James M. Cox in 1957, his son James Cox Junior took over for his father as the head of the family business and continued with its expansion until his death in 1974. Under his leadership, the company reached a leading position in the cable television industry. The growing interests in this sector eventually led to the founding of the Cox Broadcasting Corporation in 1964 – later called Cox Communications – to manage all the operations in the radio and television segment. Part of its capital began to trade on the New York Stock Exchange. Two years after its creation, Cox Broadcasting added a publishing division and, in 1967, it entered into the film production sector with the studio Bing Crosby Productions. Some of the movies they produced include *Ben* (1972), *Walking Tall* (1973) and *The Reincarnation of Peter Proud* (1975).

In 1968 the group took another step toward diversifying its business activity. Cox entered the automobile auctions business through the purchase of Manheim Auto Auction, a company dedicated to the purchase and sale of used cars. The company, established in 1945, carried out wholesale vehicle auctions. In the 1980s, many vehicle rental agencies and, in general, fleet operators, began using the Manheim facilities for their auctions. The business division was enlarged in 1997, with the launching of AutoTrader.com, an online platform dedicated to the purchase and sale of used cars.

In parallel, the media division – press, radio and television – continued to grow. In 1968 all of the newspapers controlled by the Cox family were organized under a single company: Cox Enterprises, Inc., with its headquarters in Atlanta. It became a leading player in the purchase of numerous newspapers throughout the country in the 1970s and 1980s. Cox Broadcasting did not lag behind; in 1982, it changed its name to Cox

Communications to more clearly reflect its commitment to the radio broadcasting and cable television segment. At the beginning of the 1980s, the company took control of more than 20 cable television companies.

Since 1988, James C. Kennedy, grandson of the founder, manages Cox Enterprises, a company that currently occupies a position of leadership in the media sector and in automotive services. The group is organized around four main subsidiaries: Cox Communications, Inc. – cable television, Internet, telephone, telecommunications and advertising; Manheim, Inc. – vehicle auctions and repair and certification services; AutoTrader.com – online platform for the purchase and sale of vehicles and advertising; and Cox Media Group, Inc. – radio, television, digital media, newspapers and advertising spaces.

As a whole, the group operates a total of 22 newspapers, 19 television channels and 87 radio stations. In 2012 Cox Enterprises employed 50,000 people and obtained revenues of \$15 billion.

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Day & Zimmermann. 1901

The engineering and defense contractor Day & Zimmermann took its first steps at the start of the 20th century. In 1901 the young engineer Charles Day formed a partnership with Kern Dodge to found a consulting firm in Philadelphia, Pennsylvania. The new company, called Dodge & Day, soon began to diversify its activities and, after just four years, created a department dedicated to architecture and construction.

In 1907 John Zimmermann, one of Charles Day's former classmates, joined the company. His business acumen led him to occupy the position of public and institutional relations manager at Dodge & Day. Two years after he joined the company, the name was changed to Dodge, Day & Zimmermann, a name it kept for just two years; in 1911, Kern Dodge left the business and the company took its current name, Day & Zimmermann. The talent for business shown by the newly arrived John soon paid off. In the 1910s, the company saw an increase in the number and importance of its clients, who came from many different sectors. Day & Zimmermann continued to combine the consulting business with the construction of production facilities and public works.

During World War I, the company significantly increased its turnover. Among the numerous projects the company carried out during the period, the construction of the enormous Philadelphia Quartermaster Terminal in 1918 was especially noteworthy. After the end of the war, the management of public services, particularly energy and transport, became the main source of revenue for Day & Zimmermann. In 1927 the company entered into a partnership with the leading supplier of public services in Philadelphia: The United Gas Improvement Company of Philadelphia. Following the

agreement, which lasted for only one year, the construction and public services divisions of Day & Zimmermann began to operate under the umbrella of the United Gas Improvement Co. This partnership also signified the end of John Zimmermann's career as the head of the company, as he was appointed manager of United Gas Improvement Co. One year later, Charles Day gave up management of the company for health reasons and was replaced by W. Finlay Downs. The latter ran the company until 1955.

In the 1930s, when the construction business fell into crisis, Day & Zimmermann focused their efforts on the consulting division. In 1935 the company began launching new projects again. Notable projects during the period include the installation of an electrical network in rural areas of the United States and the modern design of the first Safeway supermarkets. World War II also gave rise to a surge in projects for Day & Zimmermann. The company participated in the construction and management of several arms production facilities. Of all the company's projects, the Iowa Army Ammunition Plant was one of the most ambitious: the complex consisted of 645 buildings, which were built in barely a year.

The international expansion of Day & Zimmermann began in the 1950s. The company did not take long to extend its operations into Europe, Asia and Latin America. The rapid international rollout went hand in hand with new projects in its home market; in 1951 it was awarded the management and supply contract for the Lone Star Army Ammunition Plant, an extensive complex of over 900 buildings. In those years the glass manufacturing company, Corning Glass, was another of its star clients; Day & Zimmermann was commissioned to design some of its production facilities.

In 1961 the company was acquired by the H.L. Yoh Company. This company, owned by Harold Yoh and dedicated to technical consulting services, was founded in 1940 under the name Duncan Tool Design. After the change of ownership, Harold Yoh decided to maintain the name of Day & Zimmermann for the new company. In barely four years, the company had significantly increased its international presence and had doubled in size, with 8,000 employees divided into three main business divisions: engineering, consulting and defense. The 1960s also gave rise to new projects in the United States; Day & Zimmermann collaborated on the design of the

Mercury and *Gemini* space capsules and built a production plant for the food company Hershey, as well as an air force base in Thailand.

In 1976 Spike Yoh took over from his father as the head of the business. Under his management, Day & Zimmermann experienced extraordinary growth. The company took on new projects, such as the expansion of San Antonio International Airport in Texas and the management of the Hawthorne Army Depot in Nevada; it created specialized subsidiaries, such as Life Science International (focused on the pharmaceutical and biotechnology industries) and acquired new companies dedicated to marine engineering (Seacor, 1982) and the maintenance and management of nuclear power plants (NPS Energy Services, 1989). As a result, by the mid-1990s, Day & Zimmermann had become a multinational supplier of a wide variety of highly specialized technical services.

In 1998 Harold L. Yoh III took over from Spike Yoh as chairman and CEO of the company. During the final years of the 20th century, the company continued to promote new lines of business and reinforce the traditional activities of facilities maintenance, security services and technical advisory services. Furthermore, in the early years of the 21st century, operations pertaining to corporate acquisitions and the establishment of strategic partnerships made it possible for Day & Zimmermann to increase its degree of specialization in all fields of business.

Currently, Day & Zimmermann provides engineering, construction, maintenance, defense and technical advisory services to private companies and government agencies. It has four main divisions: engineering, construction and industrial maintenance; government services; munitions; and Yoh (technical advisory and personnel recruitment services). The company also has a strong variety of clients from many different areas, from industry and finance to the health, pharmaceutical or energy sectors. Harold L. Yoh III continues to run the business. Michael and William Yoh, brothers of the above, hold other positions of responsibility in the company. In 2012 Day & Zimmermann obtained revenues of \$2.4 billion and employed some 23,000 people, ranking 166th on the Forbes list of private companies.

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Ford Motor. 1903

The Ford Motor Company was founded in 1903 in Detroit, Michigan, by Henry Ford, son of a farmer, who at an early age demonstrated a special talent for developing mechanical devices. After working for the Edison Electricity Company, in 1899 he joined the Detroit Automobile Company, where he worked for a few months. Discouraged by the scarce interest in quality and design shown by the owners, Henry Ford set out on his own. He initially worked with a partner. However, a series of disagreements between the two soon caused them to part ways, and Henry Ford continued independently.

In contrast to the majority trend in the sector, which focused on vehicles as status symbols or recreational objects, Henry Ford's intention was to sell cars that would actually be useful for the majority of potential customers, i.e., farmers, ranchers and merchants who had to travel along roads in poor conditions. Moreover, Ford was the first U.S. automobile manufacturer to use vanadium steel, a more durable material than what manufacturers had used up to that point.

After building several models, in 1908 he launched the iconic Ford Model T on the market. Its low price (\$825) seemed impossible, since the vehicle included features that were not offered by competitors. The price was made possible through the use of a production system that had already been used by a competitor, but with less success: the assembly line. In this system, the operator remained in one place, doing a specific task, while the automobile parts to be handled arrived on conveyor belts. The increase in productivity was spectacular; in 1920, a car was turned out every minute and the price of the Model T dropped to \$250.

The production system was rounded out by the strict work discipline typical of Taylorism, aimed at systematizing production tasks and significantly reducing times in the production process. Production lines and the scientific organization of work led to a considerable reduction in production costs. However, under this system, workers' jobs became monotonous and strenuous, since they were constantly under pressure to increase their working pace. Henry Ford decided to offset this extra effort with financial compensation. Thus, his workers received a salary of \$5 a day, more than double that of other automobile manufacturers. The pay rate even made it possible for them to afford one of Ford's cars. Ford's basic premise in this respect was that any worker involved in manufacturing a model should also be able to buy it.

The Ford T was an instant success and it revolutionized the U.S. automobile industry. In the 20 years during which it was manufactured, 15 million units were sold. Ford not only confirmed the advantages of mass production, he also considered the international expansion of the brand to be an ongoing priority. To that end, the company opened plants in several European countries and even in Japan, dedicated to the manufacture of its only model. However, Henry Ford ignored advice from his son Edsel, called to succeed him as the head of the company, and from senior management, who insisted on the need for diversifying production, offering more attractive and dynamic models like General Motors did with its Cadillac and Chevrolet. Moreover, General Motors was launching a new model every year. Meanwhile, Ford Motor was losing market share. At the beginning of the 1920s it had a share of 57%; in 1925 this had decreased to 45% and by the following year had fallen to 34%.

In 1927 Ford finally had to face the facts; it closed all its plants for 18 months until it managed to put the Model A on the market. It met with almost as much success as its predecessor, with more than four million units manufactured in assembly plants all over the world. At this point, Ford Motor had managed to internationalize and diversify its production. The huge Rouge Complex in Dearborn, Michigan, had begun to manufacture trucks, tractors and even ships. In the 1920s, the acquisition of the Lincoln Motor Company signified Ford's entry into the luxury car sector, making it

a direct competitor of the Cadillac. Three years later, Ford took its first steps in manufacturing aircraft, with the creation of the first Ford-Trimotor, a model used by U.S. airline companies, whose production was discontinued in 1933.

Henry Ford gave up his position as chairman in 1919 to his son Edsel, who was 25 years old at that time. Although the actual power continued in the hands of his father, who constantly interfered and undermined him, it was Edsel who finally convinced Henry Ford to abandon the Model T, to expand the product range and to improve the design and external appearance of the vehicles. When Edsel died of cancer in 1943, at the age of 49, the patriarch took command again, until he could pass it on two years later to his grandson, Henry II, Edsel's son.

Aware of his limited knowledge in the automotive field, Henry II chose to make decisions based on the suggestions offered by his closest collaborators, and he sought out the best people to occupy key positions. Henry II placed priority on promoting the group's international expansion. In 1967 Ford opened its European headquarters, setting up 44 new production plants, 18 assembly plants and over 30 warehouses.

By 1930, the founder and his son had created a shareholder structure that, with a few changes, is still in effect today. The family maintained control of the preferred shares (class B), vested with voting rights at the general shareholders' meeting. The rest, which represented 93% of the company's capital at that time, consisted of non-voting shares that were transferred to the Ford Foundation, resulting in important tax savings for the donors and their heirs.

The Foundation's main source of income came from the dividends it received as a shareholder in the automotive company. In 1956 in accordance with decisions made by the Ford family, these shares were sold in stages on the stock market. As a preliminary step, they were vested with voting rights, granting one vote per share, while each share held by the descendants was entitled to 16 votes. In this way, the Ford family guaranteed its control over the company.

Henry II retired from his executive positions in 1979 and was succeeded by Jacques Nasser. For the first time in the history of Ford Motor, a

non-family member held the position of CEO. In 2001 Jacques Nasser left the company and was replaced by Bill Ford Junior, great grandson of the founder, who in 2006 passed on his position to Alan Mulally.

Over time, the family holdings in the company diminished, at the same pace as the capital increases that were undertaken to finance the development of Ford Motor. Thus, while in 1939 the Fords held close to 7% of the capital, in 2000 this percentage had decreased to 5.9%. During that same year, an operation was carried out that, among other things, entailed the distribution of a special dividend of \$10 million and the issuance of 600 new ordinary shares. As a result, the Fords were left holding 3.9% of shares. In 2013 this holding had shrunk to around 2% of the capital.

Currently, preferred shares are owned by around 90 family members. Bill Ford Junior, great grandson of the founder and chairman of the Board of Directors, increased his holding to 11.5% of the preferred shares. At the general shareholders' meeting held in May 2013, 66.6% of the votes opposed the proposal – which had also been presented in previous years – to make all shares vested with a single vote. In 2012 Ford obtained revenues of \$134.3 billion and employed 171,000 people.

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Paccar. 1905

The history of what is today a leading technology group dedicated to the design and production of world renowned trucks and other heavy-duty vehicles dates back to the beginning of the 20th century in Seattle, Washington. That was when the Great Northern Railway project, connecting Seattle with the East Coast, and the boom in the railroad industry inspired William Pigott to make the most of the favorable scenario by founding the Seattle Car Mfg. Company.

The year was 1905, and in its beginnings the company focused on the production of equipment and materials for the railroad industry. Only a few years later, with the incorporation of the North Coast Dry Kiln & Truck Company, its activity expanded to the manufacture of components and vehicles for the logging industry, another important driver for the local economy. The company's core business was then oriented toward the casting of components for freight cars used to transport logs. In 1910 the company recorded its first exports outside of the United States, specifically to China, where William Pigott sold railroad cars to the Nanjing Railway. The need for capital spurred by increasing demand and the opportunities provided by the booming industry led the company to merge with Twohy Brothers (Portland), the main competitor of the Seattle Car Mfg. Company. Through the merger, the new company received a strong injection of capital and adopted the name of Pacific Car and Foundry Company. This was the foundation for the business conglomerate that, in 1972, became Paccar, Inc.

William Pigott was an entrepreneur with considerable social prestige, due to his charity work and a series of practices that would now fall into the category of corporate social responsibility. In 1924 the railroad crisis caused

by intense competition from the automobile led Pigott to sell the company, which was acquired by American Car & Foundry. William Pigott died in 1929 and, five years later, the family recovered control of the company, taking advantage of the opportunities to buy businesses at low prices brought about by the economic crisis of the 1930s. Paul Pigott, William's son, repurchased the shares and took over management of the company until 1961. Under his leadership, the company expanded its line of products and began a relocation process that allowed it to increase its product range and production capacity. During the initial phases of this process, the Paccar Winch Division was created in Oklahoma. The Carco production line was established there, introducing new components, such as winches for use in tractors and in heavy-duty vehicles for the logging industry. This product soon became the production base for the Paccar Winch division, which today includes brands such as Braden, Carco and Gearmatic.

Under the management of Paul Pigott, the company experienced another important moment in its history; during World War II, the demand generated by the arms industry facilitated the signing of a contract with the U.S. Army and the company began to manufacture Sherman battle tanks and other armored vehicles.

At the end of the war, making the most of the experience and knowledge acquired in the production of heavy vehicles, the company entered into a new market: the truck market. With the acquisition of the Kenworth Motor Truck Company of Seattle, the family owners laid the foundations for what is currently the essential core business. In 1958 the company joined the Dart Truck Company group, which helped it enter the mining vehicles market and increase its production capacity.

Paul Pigott left his mark during the period of the company's greatest expansion and served as chairman and CEO for over 35 years. After his death in 1961, he was succeeded by his son, Charles Pigott.

The third-generation family members took over the management of the company and began the internationalization process. Australia and New Zealand were among the first markets the company entered. Kenworth Australia was created on 28 hectares of land purchased on the outskirts of Melbourne. The company took note of the potential afforded by the growth

of the truck industry in Oceania and it is now a leader not only in the Australian market, but also on the rest of the continent.

Paccar Inc. did not confine itself to just one sector. A prime example of its diversification efforts is the Structural Steel Division, which participated in the construction of several flagship buildings in the United States, including the Grand Coulee power plant on the Columbia River and the World Trade Center in New York.

The process of expansion, internationalization and diversification led the owning family and the company's Board of Directors to question whether the name Pacific Car and Foundry Company continued to adequately define the company's business activity. The discussion concluded with a name change; in 1972, Paccar Inc. was born and its predecessor, Pacific Car and Foundry Company, became a division of the new parent company. The change in name was accompanied by a restructuring process and the creation of new divisions and units, such as Paccar International, Inc. and Paccar Parts Division, along with mergers and acquisitions of new factories around the world. Some of the most noteworthy operations include the merger with Trico Industries, Inc., which made the company a world leader in irrigation machinery and pumps; the acquisition of Al's Auto Supply, a distributor of auto parts and accessories; and, lastly, the purchase of DAF Trucks N.V. in 1996 and Leyland Trucks in 1998, two additions that reinforced Paccar, Inc.'s position as one of the largest business corporations in the world.

Over the past eight decades, the company has consistently posted profits. With a portfolio of prestigious international brands, such as Kenworth, Peterbilt or DAF, the company founded by William Pigott is a leading reference in the automotive industry and a serious competitor in financial services, information technologies and the distribution of truck accessories. In 2012 Paccar obtained profits of \$17 billion and employed 21,800 workers.

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Mars. 1911

Frank C. Mars (1882–1934) was born in Hancock, Minnesota. As a child he suffered from polio, which prevented him from walking or running like other children. Therefore, he spent a good part of his time close to his mother, Alva, an excellent cook who introduced him to the delightful world of recipes and chocolate. From an early age, Frank concocted recipes for candies and sweets and, quite soon, entered into the business world selling his own products. However, his beginnings as an entrepreneur were not all smooth sailing. In 1911 Frank C. Mars began producing and selling candy at his home in Tacoma, Washington. In 1920 after several failed attempts to prosper in the business, he returned to his native Minnesota to set up headquarters for his new company (Nougat House) in Minneapolis. Two years later, he created a new company, MAR-O-MAR Company, to sell his new product – under the same name. It was also a failure due to the difficulties entailed in the transportation and preservation of the chocolate bar. The business did not take off until 1923, with the success of the Milky Way, the first chocolate bar with a filling. Sales of the new product soared and this growth forced the company to move to a new location; in 1929, now with 200 employees, the company moved to Chicago, Illinois, to benefit from a better location and railroad connections.

Frank's only male son, Forrest E. Mars (1904–1999), began his business career at the end of the 1920s. He had grown up away from his father in the custody of his paternal grandparents, who took him in after Frank was divorced from his first wife. He had received a college education at Berkeley and possessed a strong entrepreneurial spirit. After making initial contact with his father's business and finding there were certain differences in their

respective business visions, Forrest moved to the United Kingdom in 1932, where he began his own professional career. Two years later, Frank C. Mars died. The father's and son's businesses remained legally separated until 1964, when Forrest purchased all of his father's companies and created Mars, Incorporated.

While Frank C. Mars had consolidated the company through the diversification of products in the candy category and a strong position in the U.S. market, Forrest further pursued these growth channels in his business activities, but also implemented new strategies. He opted to enter other food sectors; in 1935, he entered the pet food market through the acquisition of the U.K. company Chappel Brothers, Ltd., a producer of canned dog food. Years later he also entered the cat food segment, with well-known brands such as Whiskas. This diversification was accompanied by the consolidation of the family's core business, making candy, through the creation of new brands and products that were quick international successes. Among these, its famous M&M's stand out, originally prepared for U.S. troops during World War II. This was not the only business line that emerged in times of war.

The entry of Forrest E. Mars into the sale of food, beyond just candy, came about with the creation of Uncle Ben's, a company that sold rice under the same name, which was prepared to withstand the tough conditions of the tropical climate faced by troops who were deployed in the Pacific. After the end of World War II, the company began the expansion of Mars products to new markets, such as Australia, where the Mars Bar began to be produced under license in 1954. Diversification also continued with the distribution of beverages designed specifically for offices in 1955 and the creation of new brands of pet food. In 1959 the group's main offices were moved to Washington, D.C., where they remained until their definitive relocation to McLean, Virginia, in 1984.

Forrest E. Mars retired in 1969 and was succeeded as the head of the company by his children: Forrest Edward Mars Junior, John F. Mars and Jacqueline Mars. The third generation continued with the growth and diversification of the company; in 1965, the Waltham Centre for Pet Nutrition was established in the United Kingdom, with the aim of improving

canine nutrition and health and, in 1973, the first drinks vending machine was created. The beverages segment was expanded in 1981 with the manufacture of the Flavia, a machine for preparing coffee and tea.

In the 1980s, the company made an effort to strengthen its structure and increase corporate development projects in order to reinforce its market position and enhance its growth potential. To achieve this, in 1982 it formulated the “Five Principles of Mars”: highest quality production standards; environmental responsibility; reciprocity in the distribution of profits; efficient use of resources and recycling of waste; and, lastly, freedom – with the understanding that the concentration of capital in the hands of one family and sound accounts provide freedom for research and innovation. Reciprocity in the distribution of profits among consumers, distributors, direct suppliers, government agencies and owners has been recorded as a principle in the company’s records since 1947.

In addition to reinforcing its position, Mars continued to diversify its product range. In 1986 it acquired Dove Chocolate, which signaled its entrance into the ice cream and frozen foods market; in 1997 it launched the organic food segment with the purchase of Seeds of Change; while the pet care segment was completed with the purchase of Royal Canin in 2001 and Nutro Natural Petfoods, marking the entry of the firm into the natural pet food market. The company also acquired a stake in the Banfield Pet Hospital and established the Pedigree Foundation, a non-profit organization.

In 2008 Mars purchased Wrigley, a family-owned chewing gum company founded in 1981. This acquisition made it a world leader in the chewing gum market, with the Orbit brand.

As evidence of the company’s environmental responsibility, particularly notable was the opening in 1982 of the Mars Center for Cocoa Science located in Bahía, Brazil, dedicated to research, sustainability and development projects related to cocoa plantations. In 2009 the company was committed to making all of its operations sustainable – halting CO₂ emissions and the waste of water and byproducts – by the year 2040. It also made a commitment to guarantee the purchase of fish and cocoa from sustainable suppliers by 2020 and to obtain all palm oil from certified suppliers by 2015.

Other aspects that have been key in the expansion of the company are its marketing and advertising. The earliest example was the sponsorship of various local radio programs in 1939. A great achievement in this respect was becoming the sole supplier of food for the Barcelona Olympic Games in 1992. Furthermore, in 2007, the Mars Marketing Code was created which, as a reflection of the company's core values and principles, established its commitment to responsible marketing campaigns that would respect people's privacy and promote healthy lifestyles. As a result, the company was the first food company to halt, of its own accord, advertising campaigns aimed at children under 12 and the first to include a label with nutrition facts on the front side of its packages.

Currently, the group employs 70,000 people, distributed across the six business segments in which it operates: pet care and food, with headquarters in Brussels, Belgium; chocolate, with headquarters in New Jersey; food, with headquarters in Brussels; Wrigley chewing gum and candy, with headquarters in Illinois; beverages, with headquarters in Pennsylvania, and Basingstoke, United Kingdom; and symbioscience, founded in 2005, with headquarters in Maryland. In 2012 Mars, Inc. obtained profits of over \$30 billion and had operations in 74 countries.

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Finland

KONE. 1908

KONE was founded in Helsinki in 1908, when Finland was still an autonomous Grand Duchy of Imperial Russia. The business started out as a small machinery repair workshop, but a year later the owners sold their holding to Gottfrid Stromberg. The new owner redirected the workshop's activity to focus on the repair of electrical motors and elevators imported by Stromberg's company.

World War I led to a strong demand for arms and during the war KONE manufactured over 10 million parts for the Russian army. In those years it had 600 employees, but it was not able to resume the manufacture of elevators until the end of the war. In 1917 Finland declared its independence and, that same year, KONE manufactured the first elevator featuring a lifting system of its own design. The first models showed quality standards on a par with foreign competitors, but the difficult economic situation generated by the postwar era in a newly independent country led KONE to direct its efforts to other, more widely consumed products. As a result, production was focused on supplying the domestic market with carbide lamps, coffee mills and blades for ice hockey skates, although at the same time KONE was able to maintain a production of 100 elevators per year.

In 1924 there were initial signs of economic recovery, but the business group controlled by KONE's owners, the Stromberg family, entered bankruptcy. The lack of attention to innovation and the development of new products played a large role in this insolvency, allowing foreign competitors with more advanced technologies to control the Finnish market.

After the bankruptcy, the creditor entrusted the management of the group to the entrepreneur Harald Herlin. As manager of the company,

Herlin recognized KONE's potential and, that same year, he made an offer to the bank to buy the branch of the insolvent business group. After settling the company's debt, Herlin turned it into an independent company, which since then has remained in the hands of his family.

In 1927 KONE moved its production to a new factory. The newly launched facilities allowed for doubling production, which exceeded 300 units the following year. At that time, Harald Herlin Heikki, son of the owner, had been made CEO of the company. His arrival coincided with the effects of the Great Depression, which led to a considerable decline in sales.

The training and experience he received in the United States and Germany helped Harald Herlin Heikki get things back on track. During the first half of the 1930s, KONE dominated the Finnish elevator market. However, the market in a country with fewer than 3.5 million inhabitants soon became too small for the company. It embarked on another growth cycle with a major investment in the production of industrial cranes; the first four units were sold in 1933. That year also saw the start of production on the company's own electric motors.

The strong management of the family owners, personified by the multilingual Harald Herlin Heikki, and its ongoing investments in competitive technology, allowed KONE to expand into international markets.

The outbreak of World War II put a halt to the growth and the good results posted during the 1930s. With the onset of the armed conflict, KONE focused on the production of munitions and gas generators for vehicles although, at the same time, it managed to maintain a modest level of production of elevators and cranes. After the war was over, Finland was forced to pay compensation to the Soviet Union; part of this was in industrial cranes and elevators, which were manufactured by KONE between 1945 and 1952. To meet the Soviet demand, the company had to increase its production capacity, manufacturing equipment in quantities never before achieved.

The reconstruction of the country led to the modernization of ports and, in 1950, KONE began manufacturing port cranes. With the increase in construction, the demand for its elevators grew and the Finnish manufacturer developed sophisticated control systems and automatic doors for

them. During that period, exports represented an important element of KONE's business and in order to gain a share of the Swedish elevator market the company opened a subsidiary there in 1957.

The leap abroad also coincided with a generational changeover at KONE. The new team, led by Pekka Herlin, Harald Herlin Heikki's son, began looking into modernizing production processes and looking for better solutions than those of their competitors. In addition, in 1967 a modern elevator factory was opened in Hyvinkaa, with a capacity of 2,000 units per year. The new factory made it possible to double the capacity of the Finnish elevator market.

At the end of the 1960s, the size of the company and the size of the Finnish market alerted the company's management to the risk that KONE might be acquired by one of its large competitors. This situation triggered the internationalization of the company.

The first step in this new direction was taken in 1968 with the acquisition of the elevator business unit of Asea (Sweden). With subsidiaries in Norway and Denmark, it had a larger business turnover than KONE. This operation allowed the family-owned business to become a market leader in Northern Europe while managing a production, sales and maintenance network in nine countries through the mid-1970s.

In 1974 the company took another major leap with the acquisition of the elevator business under Westinghouse, a company in the electronics sector. The business unit acquired was larger than all of its international operations. Furthermore, this new acquisition represented the incorporation of know-how in the field of high-rise buildings, which the Finnish company had never developed.

Until 1980 KONE had stood out as an innovative company, but during that decade it fell behind its competitors. With such a complex structure to manage, the company began to lose market power at the end of the decade. However, the 1990s brought an important turning point for the company with the renewal of its product range. KONE decided to divest from all of its businesses, except elevators and escalators, and to invest in R&D. At the same time, the company underwent its third generational changeover in the hands of the Herlin family.

The process culminated in 2002 with one of the largest operations carried out in KONE's history: the acquisition of the Finnish conglomerate Partek. As in the previous cases (Asea, Westinghouse), once again the company took over a larger company than itself. A few years later, the new acquisition was restructured into a new company under the name of Cargotec, whose shares continued in the hands of the Herlin family.

Currently, the third generation, led by Antti Herlin, maintains the strong growth and international expansion of the company with operations around the world. In 2012 this family-owned company employed more than 35,000 people and reported €4.99 billion in revenues.

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France

Wendel. 1704

The investment holding company Wendel has its origins in a small iron foundry acquired in 1704 by Jean-Martin Wendel in the Lorraine region of Northeast France. Later, the founder acquired other iron and steel plants in the same region. With the passage of time, Jean-Martin Wendel was eventually awarded a title of nobility. In 1737 Charles Wendel inherited the business after the death of his father and invested the assets he had received from his wife to increase the size of the company. Faced with difficulties in the supply of firewood for smelting the metal, Charles began to use charcoal as fuel. When Charles died in 1784, his son Ignace took over the reins of the business, introducing the technological advances he had learned on his travels to other countries. By then the company had become a significant manufacturer of pumps and cannonballs. Five years later, the advent of the French Revolution led the men of the family – who ran the risk of being murdered – to flee the country and the Wendel steel mills were confiscated. Marguerite d'Hausen, widow of Charles and mother of Ignace, did what she could to prevent the manager appointed by the government from making mistakes, but in the end she was imprisoned. When the Reign of Terror was over, the steel mill was auctioned off and acquired by a third party. In 1804 it was repurchased by the Wendel family, represented at the time by François Wendel, the founder's great-grandson. When François died in 1825, his widow, Joséphine de Dicourt, took charge of the business. The Wendels expanded and modernized their steel mills during the following decades.

When France lost in the War of 1870, the Lorraine region became part of Germany. Before Joséphine died in 1872, she left a “letter” – whose

guidelines were still in force at the beginning of the 21st century – to ensure the business remained in the family's hands. This document regulated matters concerning share ownership and the relationship between the family and the business. At that time, the assets that were in Germany were transferred to the company Les Petits-Fils de François de Wendel, while the facilities in France belonged to the company Wendel & Cie., 50% of whose shares were in the hands of the Schneider family, which also owned other steel mills. The Wendels were interested in this partnership because the Schneiders had bought the patent for a British method of making steel from the iron extracted from French soil, which contained too much phosphorus. The two companies merged in 1818.

Lorraine became French again when World War I ended, only to be annexed again by Germany, a situation that was brought to a head at the end of World War II in 1945. However, the iron and steel facilities owned by the Wendels, like many other industries, had been demolished and the most valuable machines had been dismantled. When World War II was over, the French government nationalized all of the country's mines and established strict regulations on how iron and steel companies operated. They could make a profit only on their export activity while, in their domestic sales, they had to sell at cost price, which was fixed by the administration. Because the iron and steel industry is highly cyclical and capital-intensive, the government pledged to finance investments through loans. Over time, the Wendels diversified their activities and the various companies in the group ended up merging under the name of Sacilor (Société des Aciéries de Lorraine).

The 1973 oil crisis was devastating for the iron and steel industries, whose orders fell drastically. In this context, the French conservative government, led by Raymond Barre, launched a plan to restructure the sector, which was uncompetitive and oversized. In practice, this implied the conversion of the state loans into shares. The process culminated in 1982 (under the government of the socialist François Mitterrand) with full nationalization of Sacilor and its competitor Usinor, which were merged.

Just before the merger, the group's management – in the hands of the family's eighth generation – was headed by Henri II de Wendel and his

cousin France-Victoire's husband, Pierre Celier. The latter negotiated with Prime Minister Raymond Barre and managed to reach an agreement that nationalization would affect only those companies directly related to iron and steel.

Some of the Wendels' remaining companies were sold immediately. Others, which had been paid little attention and had received insufficient investment in previous years, underwent a restructuring process. Eventually, however, all of them ended up being disposed of.

Instead of doling out the money among the founder's descendants, they decided to continue in business as a family, from that time forward as partners in a holding company that would invest in the companies they deemed appropriate at any given time. After various names (such as *Compagnie Générale d'Industrie et de Participations* or CGIP and *Wendel Investissement*), the holding company was finally given its current name, *Wendel*, in 2007. Since 2001, the highest-ranking executive has not been a member of the family.

Unlike other venture capital or development capital companies, whose time horizon tends to be three years, the Wendels' philosophy centers on having a longer-term vision. Since they are in no hurry to make profits, they are willing to hold onto their participations in companies for up to 10 or 15 years. Their goal is to buy medium-sized companies, turn them into leaders in their industry and then sell them or float part of their share capital on the stock market. In this way, their investment portfolio evolves over time. Some companies that were once in the family holding company's portfolio and have been sold are: *Carnaud* (metal containers), *Valeo* (automotive components), *Capgemini* (technology consulting), *Editis* (publications) and, in June 2013, *Legrand* (electrical and digital infrastructure construction).

In mid-2013, *Wendel* owned more than 90% of the capital in the firms *Stahl* (leather coatings and coatings of other materials), *Parcours* (vehicle leasing) and *Mecatherm* (industrial equipment for making bread). It retained 50% of *Bureau Veritas* (industrial certification), of which it had 90% before the IPO. It also owned 17% of *Saint-Gobain* (building material). In 2012 *Wendel* made a profit of €221 million.

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Champagne Taittinger. 1734

The company now called Champagne Taittinger, one of the world's largest producers of this sparkling drink, dates back to 1734, when the wine merchant Jacques Fourneaux began producing champagne in Reims, in the French region that has lent its name to the famous drink. The winery soon gained prestige thanks to Fourneaux's ability to mix the different types of grape used as raw materials.

Before Fourneaux began his business, there were those founded by Nicolas Ruinart (1729) and by the brothers Jacques-Louis and Jean-Baptiste Chanoine (Chanoine Frères, 1730), both in the town of Épernay, a few kilometers from Reims. Moët was born in 1743 and Clicquot in 1772.

In 1806 Jérôme Alexandre Fourneaux, the founder's grandson, teamed up with Barbe-Nicole – widow of the Clicquot creator's son – to form the company Veuve Clicquot Fourneaux & Cie., with the idea of promoting the export of champagne. However, the partners came up against a formidable obstacle; Great Britain declared a naval blockade of French territory during the confrontation with Napoleon. Suddenly, the company had lost the British market, which accounted for a third of its sales. To compensate, they intensified sales in Northern Europe and in Russia. Sometimes they dodged the sea blockade, but they could not avoid the capture of at least one of the ships transporting their products. The agreement between Clicquot and Fourneaux stipulated that they would work together for five years. However, in 1810 the business was suffering, so they decided to dissolve the joint venture and the two companies went their separate ways. Fourneaux teamed up with his son, Antoine Forest, and the firm was renamed Forest-Fourneaux & Cie. Ten years later, Antoine-Martial Forest-Fourneaux, son of

Antoine, moved the company headquarters to Hôtel Le Vergeur, near the ancient Roman grain market.

At the end of World War I, the founder's descendants bought the house of the counts of Champagne, also in Reims, where they set up their head office. It was a 13th-century building that had been the residence of King Theobald IV (son of Blanche of Navarre), who in his day brought from Cyprus the strains that would become the Chardonnay grape.

It was then that the Taittingers appeared on the scene. After the Lorraine region was annexed to Germany in 1870, and to avoid losing their French nationality, the family left their native land and moved to Paris. In 1912 Pierre-Charles Taittinger was running a champagne distribution and export business with a brother-in-law. During World War I, on a mission as a cavalry officer, Pierre-Charles went to the Château de la Marquetterie in the vicinity of Épernay, occupied by Marshal Joffre at the time. He was profoundly impressed by the building, the landscape of the French Champagne region and the vineyards, and he became intent on buying them. In 1932 he achieved his goal when he bought the company Forest-Fourneaux. One of his best decisions was to prioritize the Chardonnay grape, reducing the use of the hitherto customary Pinot, and to position his drinks as a luxury product.

Pierre-Charles combined his dedication to the champagne business with political activities. During World War II, as chairman of the Paris municipal council and along with the Swedish consul Raoul Nordling, he convinced the German military governor Dietrich von Choltitz not to comply with the order to destroy the French capital before the entry of the Allied armies. This effort helped to secure his subsequent release in February 1945, after he had been arrested as a collaborator.

From 1945 the champagne business was run by François, the third son of Pierre-Charles, in collaboration with his brothers Claude and Jean. Jean was involved mainly in politics; he was mayor of Reims and minister of justice. In 1960 when François died in an accident, Claude took charge of the company. Eventually the family business was extended to other activities: the production of porcelain, perfumes, office furniture, print workshops, several luxury hotels and the Envergure chain of budget hotels, which managed nearly 600 establishments in Europe. In 1988 it founded the

winery Domaine Carneros in California, along with its distributor in the United States.

The Taittinger shares in these firms depended on two companies – Groupe Taittinger and Société du Louvre, both listed on the Paris stock exchange. The family held more than half of the voting rights in both companies. Two other minority but stable partners were the company CNP – owned by the Belgian investor Albert Frère – and FFP, the holding company of the Peugeot family, owner of the automobile group of the same name.

Pierre-Charles Taittinger had eight children and 22 grandchildren. Starting in 1998, the founder's descendants received several purchase offers and in 2005 they agreed to sell both companies for €2.86 billion to the United States investment group Starwood Capital, specialized in the hotel industry.

Although Pierre-Emmanuel Taittinger, Jean's son, remained as CEO, the change in ownership of the champagne firm was controversial in France; many considered it a loss of national identity.

In this context, in June 2006, Crédit Agricole du Nord Est bought Starwood Taittinger Champagne and the California winery for €660 million. The following year, Pierre-Emmanuel and other relatives bought 41% of the shares and 47% of the voting rights from the financial institution and they managed to convince several friendly families to invest, acquiring 22% of the capital and 33% of the voting rights. Crédit Agricole retained the remaining 37% of shares.

The company's brands are: Taittinger Brut Réserve, Brut Prestige Rosé, Brut Millésimé, Prélude Grands Crus, Folies de la Marquetterie, Nocturne Sec, Comtes de Champagne Blanc de Blancs, Comtes de Champagne Rosé and Taittinger Collection.

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Banque Jean-Philippe Hottinguer & Cie. 1786

The bank Jean-Philippe Hottinguer & Cie. has its origins in the firm Messieurs Rougemont et Hottinguer. The banking house was founded in Paris by the Swiss-born businessman Jean-Conrad Hottinguer (1764–1841) in 1786. Four years later Jean-Conrad established the new company Messieurs Hottinguer et Cie., Banquiers à Paris, which acted as a continuation of the previous bank. Jean-Conrad's original surname was Hottinger. However, when he arrived in France, the banker modified it by adding a "u" (Hottinguer), in order to keep the German pronunciation. In just a few years, the family business began to expand with the creation of branches in several areas of France, especially in port cities such as Le Havre (1802).

Thanks to his excellent management, Jean-Conrad Hottinguer became a renowned banker. In 1803 he was appointed regent of the Bank of France and in 1810 he was given the title of baron. Napoleon Bonaparte had founded the Bank of France in 1800. This institution had 15 regents who administered and supervised its management by holding regular general council meetings. Jean-Conrad Hottinguer would be the first in a long dynasty of family members, who maintained the family's uninterrupted presence on the council of regents for more than a century.

In 1815 the bank began to diversify its activity and it created its first insurance company, the Compagnie Royale d'Assurance Maritime. Four years later, the Hottinguer bank joined with the banker Benjamin Delessert to create the Caisse d'Épargne et de Prévoyance in Paris, the first savings and provident funding bank for small investors (a company that was a precursor to the present day's pension funds).

Jean-Conrad Hottinguer retired in 1833 and was replaced by his son Jean-Henri. The second in the Hottinguer line of succession had inherited the ambition and entrepreneurial spirit of his father. France in the middle of the 19th century was immersed in a process of industrial transformation. Its industry, compared with England, was much more diversified, more scattered around the countryside and still largely based on traditional hand-crafts. In short, the French pace of development was slow; it displayed cyclical behavior and it did not start to boom until the turn of the 20th century. Banking's importance in financing French industry was not particularly significant, and it was the entrepreneurs themselves who financed industrial progress to a greater extent by reinvesting their profits. Nevertheless, it should be pointed out that the Hottinguer firm did participate in some business initiatives closely linked to the era's economic development; it took part in the construction of the first French rail network, linking Paris and Lyon, and it financed the establishment of the supply company *Compagnie Générale des Eaux*, now called *Veolia Environnement*.

Jean-Henri Hottinguer managed the company until 1892, when he passed the baton to his son. Rodolphe Hottinguer was, by then, a man of experience in the banking world since he had taken part, along with other European financiers, in the creation of the Ottoman Bank in 1863. Under Rodolphe's management, the Hottinguer firm continued its involvement in the development of industrial infrastructure in France. The company also invested abroad, particularly in Russia, financing the construction of the Trans-Siberian railroad between Moscow and Vladivostok. Rodolphe Hottinguer combined management of the firm *Messieurs Hottinguer* with the posts of regent of the Bank of France and chairman of the *Caisse d'Épargne*. During this period, the family's management was backed by support for various charitable causes, which included numerous Protestant organizations and the *Société de Secours aux Blessés Militaires*, precursor of the French Red Cross.

The next generational changeover took place in 1920 at the hands of Henri Hottinguer. The bank went through a transformation period marked by the nationalization of companies, including the Bank of France, imposed by the Popular Front government and the vicissitudes of the 1930s crisis. During

World War II, Henri Hottinguer and the rest of the partners changed the bank's location with the aim of protecting its clients' interests. After Henri Hottinguer's death, he was succeeded by his son Rodolphe, who had been a partner in the bank since 1926. Rodolphe followed in the footsteps of his forefathers and continued to support the development of French industry. In 1945 the bank contributed to the creation of the insurance company Drouot, the predecessor of what is now Axa. Rodolphe was also appointed director of the Compagnie Générale d'Assurances, which was nationalized in 1947. His positions of responsibility included the vice presidency of the Paris Chamber of Commerce and the presidency of the International Chamber of Commerce and the European Banking Federation. After his death in 1985, Rodolphe Hottinguer was succeeded by his son Henri.

In the 1960s, the banking house's interests shifted from France to Switzerland, where the family dynasty originated. In 1968 Henri Hottinguer, Rodolphe's son, settled in Zürich to found the company Banque Hottinger & Cie. – note that the bank's name lost the "u" that had been added to maintain the German pronunciation of the name in French. During that period, the French branch was put on the back burner in favor of Switzerland, where all the international expansion was managed and where, after a time, the banking group consolidated its headquarters. In the last two decades of the 20th century, Hottinger & Cie. created several foreign subsidiaries and branches: New York (1988), Geneva (1988), Luxembourg (1991) and London (2001). The French subsidiary ended up being sold to the finance group Crédit Suisse in 1997.

In 1989 members of the sixth generation of the family, including Jean-Philippe Hottinguer, decided to split off and create their own banking institution in Paris. Thus, HR Group was born, a merchant bank focused on supporting entrepreneurs. In 2006 the new company changed its name to Banque Jean-Philippe Hottinguer & Cie. and later to Banque Hottinguer.

In 2012 all the companies belonging to the Swiss bank Hottinger & Cie. were reorganized into two groups: Groupe Banque Hottinger & Cie. Ltd. (headquartered in Switzerland and New York) and Groupe Financière Hottinguer, each with its own management and leadership. For its part, the French bank (Banque Hottinguer) remains an independent entity, which

operates mainly in the field of corporate finance. It is registered in the Comité des Établissements de Crédit et des Entreprises d'Investissement and is a member of the French Banking Federation (Fédération Bancaire Française). The bank's shares, entirely in private hands, are divided between the founding family, the Bolloré group and several members of the management team.

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Viellard Migeon. 1796

The Viellard family's first contact with the iron industry dates back to 1679, when the master smith Nicolas began managing his first foundry in the mines of Lepuix-Gy (canton of Giromagny). However, it was not until 1796 that the company was officially founded; Jean-Baptiste Migeon and Jean-Baptiste Dominé joined forces to rent the Morvillars forges and together they opened the group's first factory, which was originally called Migeon & Dominé.

The fledgling company began by manufacturing screws, wire, bolts and other related products. Part of its output was sold to the company Japy Frères, a French watch manufacturer.

In the following decades, two marriages took place that contributed to making the business more powerful by strengthening what had been purely business relationships until then; Juvénal Viellard married Laure Migeon and later on his son, Léon Viellard, wed Claire de Pruines. These family unions led the trading group to expand its production to include into articles for use with wood, and they contributed to the development of forges in the area.

The company diversified in 1910 with the opening of the first Morvillars fish hook factory, which still exists today. In addition, Viellard Migeon expanded its activities two decades later, through the construction of hydroelectric dams, which were later nationalized.

The second half of the 20th century was marked by strong growth for Viellard Migeon. The company undertook several strategic mergers and acquisitions that gave rise to the group as we know it today. The first deal took place in 1963, when Viellard merged its divisions for manufacturing

screws and bolts with the activities of Kohler and Japy Frères, two other family businesses. Together they formed a new business called GFD, which became the largest French manufacturer of standard nuts and bolts.

A decade after its establishment, GFD bought Blanc Aero and formed a new subsidiary called GFI. After several name changes once it had gone public, the GFI division ended up being called the Lisi Group (Link Solutions for Industry). Currently it is divided into three businesses with independent operations (aeronautics, automobiles and cosmetics), although they share a marketing department.

With the advent of the new century, Viellard Migeon & Compagnie (VMC) joined forces with the Finnish company Rapala to form the Rapala VMC Group; this union was very successful since, thanks to the merger, they rose to become the world's biggest manufacturers of lures and triple hooks. The new company, listed on the Helsinki stock exchange, came under the control of VMC in 2005 when VMC consolidated its position as the largest shareholder. It also partnered with Shimano, in order to raise capital for the distribution of its fishing products.

At that time, VMC's traditional welding division constituted a group called the FSH Welding Group (Forges de Saint Hippolyte) and went on to specialize in the manufacture of welding electrodes. Today it produces 3,000 metric tons of electrodes per year, offers a wide range of materials – rutile, stainless steel, nickel base, cast iron and cobalt alloy – and has undertaken a large-scale expansion in South America.

In 2008 there was a new generational changeover in the company leadership; Christophe Viellard took over for Michel Viellard, who had been VMC chairman for 47 years. For its part, that same year, Rapala VMC consolidated its position in the fishing sector by buying the Ultrabite and Dynamite Baits brands. Today it has a presence in more than 140 countries and each year it produces more than 20 million lures.

In 2010 Lisi developed a medical division, supported by the purchase of Stryker Benoist Girard. It also experienced significant growth in the areas where its position was best consolidated. The aerospace sector was reinforced with the purchase of Indraéro and Creuzet Aéronautique; at the same time, Lisi Automotive expanded its output by buying two industrial

estates. Currently, VMC has a 23% share in the Lisi Group, whose annual income exceeds €1 billion. It also has more than 30 factories and provides work to more than 5,200 people.

Viellard Migeon & Compagnie has operated throughout its history by following values based on the trust of its partners, loyalty to its shareholders and respect for all its employees. The generations that have kept the company going have always been guided by a strong commitment to the tradition of the business, coupled with a great vision of the future. This marriage between tradition and modernity explains the expansion and longevity achieved by the group, which currently has a presence in 140 countries.

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Peugeot Group. 1810

The beginnings of Peugeot's industrial activity date back to 1810, when Jean-Jacques Peugeot settled near Doubs, a region in Eastern France, where he began to produce coffee grinders, saws and watch springs. After his death, his two sons, Jean-Pierre and Jean-Georges Peugeot, devoted themselves to the textile business for a few years until the next generation of the family turned the grinder factory into a foundry.

For a good part of the 19th century, three successive generations of the Peugeot family worked to exploit new sectors of trade until, in 1885, Armand Peugeot, the founder's grandson, took an interest in the production of bicycles, a highly sought-after product at the time. A few years later, in 1889, the company launched the first motor vehicle to carry the family name: the Serpollet-Peugeot, a steam tricycle manufactured in collaboration with Léon Serpollet. The following year, Armand replaced the steam with internal combustion and manufactured the first gasoline quadricycle, called Type 3. The model was one of the first to be manufactured in a short and historic series of 64 vehicles.

In 1896 the Peugeots decided to split the business into two branches. Armand created the first factory exclusively for making automobiles, while Les Fils de Peugeot Frères, controlled by another branch of the family, switched from bicycle production to the automotive industry with the Lion Peugeot brand. This brand produced different vehicles from the ones Armand was designing, to avoid entering into competition. In 1910 the two companies merged into a single public limited company.

The merger process really ended in 1929, when all the family's factories and businesses were united under the same leadership, making it the largest

industrial group in France and an authentic standard-bearer of the national automotive industry. Today, Peugeot belongs to a small group of pioneering automotive companies that still retains their family character; the founding family has kept control of the ownership and management, while several of its members hold executive positions.

To prevent the family fortune from being broken up, Robert Peugeot, one of the patriarchs in the initial stages of automobile production, stipulated that shares should be passed on only to sons and that those family members who did not contribute value to the company should be kept out of management.

From the beginning, one of the keys to the brand's success lay in family unity. This aspect was given particular emphasis during the 1930s, when a lack of liquidity brought the company to the verge of closing. One of the cousins, Robert Peugeot, then chairman of the automotive division, agreed to give an interest-free loan of 25 million francs, which could keep the company out of bankruptcy. That loan provided for the launch of the Peugeot 201, one of the brand's most successful models.

The leadership of the founding family and the self-financing strategy helped Peugeot become consolidated as a market leader during the period from 1933 to 1940. The same strategy was maintained during the following period so that, unlike other state-controlled competitors, Peugeot avoided using debt as a mechanism for growth.

Another of the group's key factors was its commitment to product quality; for years, Peugeot vehicles were advertised as not needing any attention or repairs during the period covered by the manufacturer's warranty. The company was convinced that quality was the only seed capable of bearing fruit in the future, as emphasized by Maurice Jordan, who was CEO during the difficult years of World War II and the postwar years.

In 1966 the Peugeot group became FFP, the family holding company that controlled most of the shares of the industrial group. During the following years, the business was consolidated around the new structure, but the oil crisis brought further changes. Citroën, one of the main competitors, was put up for sale due to serious financial problems, and FFP got hold of 38% of its shares. That is how PSA Peugeot Citroën was born. Only

six years after the first oil crisis came the second, in the late 1970s. In just three years, the group's shares fell by more than 12 points and its sales dropped by 6%.

The family's desire to maintain the company and keep it afloat was unshakeable and decisive; they hired Jacques Calvet, an executive with a lot of experience in the banking sector, who, after making some critical decisions – including a drastic reduction in the workforce and a capital increase via the entry of some big banks – managed to improve the results. One of the most recognized successes of the period was the launch of the 206 model, with sales that exceeded 6.5 million units.

In 1989 FFP was listed on the Paris stock exchange and started investing in several funds such as Société du Louvre-Groupe du Louvre and Marco Polo Investissements. In addition to these investments, the group began to diversify its activities with participations in other companies, both in its sector and others. For example, this was the case for its participation in the Taittinger Group. In 2012 the PSA Peugeot Citroën group had revenues of €58.33 billion and employed some 192,000 people.

At the start of 2014, the holding company was chaired by Robert Peugeot, who was, at the same time, the group CEO. Five of the 12 members of the Steering Committee belonged to the family. FFP controlled 19% of the PSA Peugeot Citroën group, its main asset, along with other companies where the founding family still had control.

However, at the beginning of that same year, the Peugeot family decided to increase its company's capital through participations from the French government and the Chinese group Dongfeng, with which it had an established partnership. The increase implied a loss of control for the Peugeot family, which went from owning most of the capital to a situation of parity with their new partners.

Peugeot's influence in the history of French industrialization and its more than 100 years as a family business led us to keep it in these pages despite its recent change of course.

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Bolloré. 1822

The French group Bolloré, a conglomerate working in many different sectors, was created in 1822 as a small specialty paper factory on the banks of the Odet River in Brittany, near the town of Quimper. It was founded by Nicolas Le Marié and his brother-in-law, René Corentin Bolloré, with the help of the latter's older brother, Jean Guillaume. Nicolas Le Marié ran the business until a stroke incapacitated him in 1861. Thereafter, his nephew-in-law Jean-René Bolloré took over the company, which began making cigarette papers in the Odet factory, expanding the product range. At that time, the company was called Le Marié & R. Bolloré. It was later renamed Papeteries René Bolloré.

In 1893 Jean-René's son, René Guillaume, expanded the business by first renting and then buying a water mill located in Cascadec, at a short distance from Quimper. He set up a new factory there, initially intended to produce writing paper. René Guillaume paid special attention to manufacturing rolling papers for cigarettes, the use of which was spreading rapidly. René Joseph Marie, René Guillaume's son, replaced his father at the age of 19. He built the offices, the laboratory and the family home. He also built houses and gardens for the workers and began the construction of a school for the workers' children. In 1928 his company had the most important factory in Cascadec, with more mechanized processes than any other. Overall, the company had 1,000 employees in 1930 and produced 2.5 million metric tons of paper, the equivalent of 50 billion cigarettes.

René Joseph Marie gave a strong boost to the internationalization of the business; his father-in-law, a naval guard from Nantes, provided him with contacts for exporting rolling papers to the United Kingdom and the

United States. The little paper packets were given the trade name of OCB (standing for Odet, Cascadec, Bolloré) in 1918. The company was renamed Société des Papeteries Bolloré in 1934. At the end of that decade, Bolloré was the main supplier of the largest U.S. tobacco firms, such as Camel, Chesterfield and Philip Morris. They began preparations to open a paper mill in the state of North Carolina in 1938, but the start of World War II halted the project and disrupted exports. The two production facilities operated at 20% capacity until 1945. At the end of the war, the company was co-led by René Joseph Marie's three sons: René Guillaume, Michel and Gwenaël. Over time, the general management fell to Michel.

In 1949 the company was renamed SARL Papeteries Bolloré and it bought the company Papeteries de Champagne in Troyes. In addition to cigarette papers, at that time Bolloré also made Bible paper, carbon paper for creating copies of documents and insulating paper for electric condensers. A few years later, Bolloré joined forces with a competitor, Job, to buy Papeterie de Gassicourt, a manufacturer of rolling papers under the Zig-Zag trademark. In another step toward diversification, the group also began producing polypropylene.

In the early 1970s, Papeteries Bolloré was facing serious financial problems. The U.S. group Kimberly Clark, who had bought 40% of shares in the French family business some time before, put its stake up for sale. Through a complex operation, the shares owned by Kimberly Clark and some of those belonging to Bolloré – 68% in total – became the property of a joint venture formed by Michel's two sons, Michel-Yves and Vincent, together with Edmond de Rothschild, a family friend, through the company Compagnie Financière.

The change of ownership meant that Michel left his position as CEO to take on a non-executive honorary presidency. Nominally the CEO was his son Michel-Yves, but the day-to-day business was managed by a professional from outside the family.

The following year Vincent began working with Compagnie Financière Rothschild as the deputy director. Despite restructuring efforts, Papeteries Bolloré was still struggling. In 1980 it lost more than a million francs a month, the equivalent of one fifth of its turnover. That same year, Edmond

de Rothschild accepted a proposal from Michel-Yves and Vincent to sell his share of the family business for a symbolic amount. Vincent left the financial institution to become the CEO of Papeteries Bolloré; his brother Michel-Yves also held an executive position with the company.

One of Vincent's first decisions was to continue cutting back on the capacity of the paper factories. As part of that strategy, he sold the company's stake in Gassicourt (Zig-Zag) to the other partner, Job. Papeteries Bolloré had 1,350 employees in 1975, 760 in 1981 and 170 two years later.

Vincent continued diversifying into other areas. In 1985 he renamed the group Bolloré Technologies group and it went public. The following year he began an accelerated policy of buying company shares in other sectors: energy, maritime transportation, oil transportation, tobacco plantations, etc.

In 1986 the Bolloré Group acquired its former partner Job, becoming owner of the Job, OCB and Zig-Zag brands of rolling paper for cigarettes. Although this operation entailed recovering their original business positions, in 2000 the group ended up selling all these activities to the U.S. company Republic Tobacco, which had been its main customer for years.

The early years of the 21st century have been characterized by investments and divestments in very diverse companies, following a somewhat erratic business logic. For example, at one point Bolloré owned nearly 25% of the shares in Vallourec (steel pipes) but sold them by 2008; it also owned 26.4% of the British media group Aegis, but sold 20% to a Japanese company in 2012.

In 2005 Bolloré launched the terrestrial digital TV group Direct 8 and five years later it bought the chain Virgin 17, which was renamed Direct Star. It sold both in 2012 in exchange for a stake in the Vivendi media group. That same year, it owned 37% of the Havas advertising group.

In mid-2013 the main activities of Bolloré were grouped into three business areas: transportation and logistics, media and communication, and electricity. Also it owned 6% of the Italian bank Mediobanca, palm oil and rubber plantations in several African countries and several vineyards in France. In late 2012 the Bolloré Group had 55,000 employees worldwide and a consolidated turnover of €10.19 billion.

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Hachette Livre. 1826

Hachette Livre, incorporated into the family-owned group Lagardère in 1980, began in 1826, when Louis Hachette bought a small bookstore and publishing company in Paris. Straight away he began publishing education journals and textbooks and, subsequently, novels and dictionaries. When the government decreed compulsory primary education in 1933, Hachette's catalog made it possible for the company to sell hundreds of thousands of books to new schools.

Aware that he could not develop his business alone, he set up a partnership with the notary Henri Breton in 1840, whose son Louis became Hachette's closest collaborator. Louis went on to become Hachette's son-in-law and partner in 1844. Five years later one of Breton's cousins, Émile Templier, married to another of the editor's daughters, was also made a partner.

On a trip he made to the United Kingdom in 1851, Louis Hachette discovered the potential of installing bookshops in train stations and applied the model to France. He began to publish guidebooks, novels, children's books and newspapers to expand the selection at railway station kiosks. At the same time, he published an encyclopedia.

When he died in 1864, Louis Hachette left a company with 165 employees and a turnover of 18 million francs. At that moment Louis had 25% of the shares; his two sons, Alfred and Georges, had 12.5% each; and both his sons-in-law had 50%. Six years later, Alfred sold his stake to René Fouret, who was married to one of Louis Breton's daughters.

After the death of the founder, his son Georges and his son-in-law Louis Breton, who died in 1883, continued to run the business together with other collaborators, including Émile Templier. The publisher overcame

the difficulties of the war with Prussia in 1870, which France lost, and World War I. It acquired the publisher that owned the rights to works by Jules Verne in 1914 and the company Pierre Lafitte in 1916, which published books and newspapers.

In 1919 faced with the need to find new financial resources, Hachette became a corporation; in subsequent years, successive increases in capital diluted the amount of shares held by the founder's descendants. In the first decades of the 20th century, the company signed exclusive agreements to distribute publications by other publishers, taking advantage of the remarkable network of outlets it had created. The network suffered a great deal after World War II and, in 1947, Hachette founded Nouvelles Messageries de la Presse Parisienne (NMPP), in which it kept a 49% stake; the rest of the partners were other publishers of books and newspapers.

In 1953 Hachette launched the Livre de Poche ("pocket books") collection, publishing important authors at very affordable prices; they sold millions of copies. In addition, it continued the policy of acquiring publishing houses, such as Bernard Grasset – with authors such as Marcel Proust – in 1954, Fayard in 1958 and Stock in 1961. In 1963 Hachette was a conglomerate of shareholders with a turnover of 1.5 billion francs, excluding NMPP. The chairman and CEO up until 1952 was Édouard Fouret (René Fouret's son), who was succeeded by his cousin Robert Meunier.

In 1967 Meunier handed over the position of CEO to Ithier de Roquemaurel, also a descendant of the founder. In the early 1970s, the group was going through serious financial difficulties; in 1975 the Banque de Paris et des Pays Bas (Paribas), which owned 45% of the shares in Hachette compared to the 5% owned by the descendants of the founder, (the rest had been very diluted on the stock market), demanded the dismissal of Roquemaurel and put Jacques Marchandise at the head of the publishing group. Marchandise was an executive at the metallurgical and chemical company Pechiney at the time.

In 1970 the agreement to distribute books released by Gallimard was ceased, which was a significant setback for Hachette. In 1976 the group purchased the Jean Prouvost group, publisher of the biggest selling weekly in France, *Télé 7 Jours*, and *Paris Match*. The following year the name was

changed from Librairie Hachette to simply Hachette. In 1978 a large book distribution center was opened, the Centre de Distribution du Livre. Two years later it acquired the Jean-Claude Lattès group.

In early 1980, Hachette had been suffering losses for a long time and the stock market price of its shares was very low. Later that year it was announced that the Matra group, owned by Jean-Luc Lagardère and essentially dedicated to the manufacture of weapons and vehicles, had bought 35% of the company. This transaction had the support of the conservative government of Giscard d'Estaing. To gain control of Hachette, Lagardère had also joined forces with the media editor Filipacchi Médias, who bought 20% of its competitor.

The new owners' management of Hachette increased sales and improved its financial situation. The management of periodicals fell to the company France Editions et Publications (FEP). Hachette bought the American publishing group Grolier and the Spanish group Salvat in 1988.

In 1990 Lagardère thought it was essential to have a television channel. Through Hachette he bought a controlling stake in Le Cinq, a company suffering losses, which he expected to relaunch. It was a ruinous investment. Given the high debts of Le Cinq, the telecommunications regulator ordered it to be closed. Hachette's losses in 1991 were 1.9 billion francs. Lagardère's solution was to merge Matra with Hachette, of which at that time he held more than 90% of the capital. The resulting company was called Matra-Hachette.

Meanwhile, Filipacchi Médias exchanged his stake in Hachette for shares in FEP, later renamed Hachette Filipacchi Press. Subsequently, the company merged with Filipacchi Médias resulting in Hachette Filipacchi Médias (HFM). Almost all the shares ended up being owned by Lagardère.

Meanwhile, Lagardère's company Matra had contributed its assets to form the European aeronautics consortium EADS, in which Lagardère became a shareholder. In April 2013 Arnaud Lagardère, son and successor to Jean-Luc, who died in 2003, sold this stake, which was then 7.4%. His business group was renamed Lagardère; Hachette Livre constituted one of its divisions.

The publisher continued to buy other publishing groups and enter partnerships, from Poland, the United Kingdom and Spain, to Mexico and

China, among other countries. In 2001 Hachette sold its printing assets to the Canadian group Quebecor and 10 years later it sold all the magazines it published outside France to the U.S. Hearst Corp.

In 2013 Hachette Livre had 7,100 employees and a turnover of €2.08 billion.

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Hermès. 1837

Hermès, producer of clothing and other high-quality products, was created in Paris in 1837, when Thierre Hermès began making adornments for horses that combined functionality, quality and elegance. In 1867 the company expanded the catalog to offer saddles, and it quickly became fashionable among the nobility; regular customers included the Emperor Napoleon III and his wife Eugenia, for example.

In 1870 Thierre passed the business to his son Émile-Charles, who moved the workshop to Rue du Faubourg Saint-Honoré. Over the years, the location became one of the most expensive in the French capital and still houses the headquarters of the group today.

At the start of the 20th century, Émile-Charles' two sons, Adolphe and Émile-Maurice, joined the company and managed to secure Czar Nicholas II of Russia as a customer. At that time, horses began to be replaced by cars as transportation and became a fashionable means of sport for the wealthy. Adolphe saw little future in their business, which in his view, was based on a sport in decline. In 1920 he sold his shares to his brother.

During a long journey through North America, Émile-Maurice discovered the potential for growth in making attractive products for vehicle users. In 1923 he designed and manufactured a travel bag with two handles to make for more comfortable transportation. Later, he began selling *prêt-à-porter* clothes and watches. He had visited a factory in Canada that produced a type of zippers which he thought could be very useful; he bought the patent for France and in 1924 he launched zippered gloves. He then he used the zipper on other pieces of clothing. The first jacket with a zipper, faster to open and close than a buttoned jacket, was bought by the

crown prince of the British royal family. The company then began diversifying into leather products for traveling and sports.

Émile-Maurice had four daughters, but no son. One of them died very young; the others married Francis Puech, Robert Dumas and Jean Guerrand, three sons-in-law who joined the business and eventually inherited it. In 1930 the company launched a ladies' handbag, which would become world famous after it was carried by the actress Grace Kelly, married to Prince Rainier III of Monaco. Hermès sold silk scarves with the company seal – interlaced knots – for the first time in 1937 and patterned ties in 1949.

When Émile-Maurice died in 1951, Robert Dumas took his place heading the business. Gifted with a very fertile imagination, Robert had been instrumental in the design of some of the new products. For his part, Jean Guerrand worked on haute couture and perfumes. The company's first perfume was released in 1951. The first men's shoes were sold in 1971.

Robert Dumas died in 1978 and was succeeded by his son Jean-Louis. That year was not the business's best moment. One year later Jean-Louis filled the streets of Paris with billboards featuring young girls dressed in jeans and wearing a Hermès scarf. It was an effective campaign; without sacrificing quality, it expanded its market to include a younger clientele.

As time passed, the company also diversified by acquiring other companies that produced high-quality products; the Parisian shop run by the British shoemaker John Lobb, Les Cristalleries de Saint-Louis, and Puiforcat – a silverware manufacturer – are some important examples. In recent decades, managers have tried to communicate that Hermès is not a luxury product group, but rather a group that sells quality handmade products. In 1992 the factory was moved to Pantin, near Paris, where 400 artisans and 200 employees currently work.

In 1993 Hermès was listed on the Paris stock exchange under the name of Hermès International. The decision was intended primarily to provide liquidity to shareholders who were interested in selling their shares. It was also a way of establishing a reference price for those who might do so in the future. The company and the family have the right of first refusal. Following the IPO, 80% of the capital was held by 56 relatives.

Jean-Louis Dumas retired in 2006 due to illness, and the Board of Directors – consisting mainly of the founder's heirs – elected Patrick Thomas unanimously as the CEO, the first professional holding this position who was not part of the family. At the same time, Pierre-Alexis Dumas, Jean-Louis's son, and his cousin Pascale Mussard were named artistic directors, though Mussard was later moved to a different position.

On October 21, 2010 the group LVMH, owned by Bernard Arnault, acquired 14% of Hermès International shares, through direct and indirect means, with 9% of the voting rights. By the end of 2012, that stake increased to 22.6% and 16.7% respectively. The purchase was made through several investment banks at the request of LVMH, via convertible swaps. Although Arnault said it was a friendly transaction, the people who were affected did not see it that way. The purchasing firm, officially called LVMH Moët Hennessy Louis Vuitton, had a turnover of €28.1 billion in 2012, in comparison to €3.48 for Hermès.

As a reactive measure, and with the permission of the trading authority, most of the descendants of the founder gathered 56% of the shares and 62% of the voting rights into the companies H51 SAS and H2 SAS. Other family members had an additional 6.8% and 8.9% respectively.

In June 2013 the Autorité des Marchés Financiers fined LVMH €8 million for having extensively exceeded the 5% stake in a listed company without having notified the French stock market regulator at the time, which is required by law. The legal claim of Hermès International was still ongoing in summer 2013; they had requested the purchase of shares by LVMH to be declared illegal.

In May 2013 it was announced that Axel Dumas (43 years old) would succeed Patrick Thomas (66 year old) as CEO. Dumas is a member of the sixth generation of the family – son of Olivier and grandson of Robert – and previously occupied the position of deputy CEO.

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Groupe Louis Dreyfus. 1851

The origins of the Louis Dreyfus Group date back to the activity begun by Léopold Dreyfus (1833–1915) in the mid-19th century. A son of farmers, and only 17 years old at the time, Dreyfus began his business career trading with the grain he obtained from the family estate in Sierentz, Alsace, selling it in Basel. Léopold, who changed his surname to Louis-Dreyfus, had already set up regular trade with farms in the area by 1851; this is the moment considered to be the start of the Louis Dreyfus company, initially dedicated to the international wheat trade.

The early stages of the company were characterized by the rapid development of the business. Louis Dreyfus set up in Bern, a more cosmopolitan city, where he formed a dense commercial network that stretched to every corner of Western Europe. It was the base for exporting huge amounts of grain.

Thirteen years after it was founded, as it was developing an extensive network of offices in France and Germany, the company moved to Zürich, where it remained for a few years. A decade later, in 1875, the city of Paris was chosen for the company's permanent headquarters.

The rapid expansion seen by Louis Dreyfus during the second half of the 19th century was possible due to progress in transportation and communications. The construction of transcontinental railway systems and the increased reliability of ships meant that goods could be transported more safely and quickly. In addition, the invention of the telegraph and then the telephone allowed for better communication between different divisions of the business. The transportation and communication revolution also enabled the company to set up a profitable arbitrage system; it bought grain at low

prices in a given place to sell them in other parts of Europe for a higher price. The profits generated by the difference in prices also grew as a result of the company's skill in negotiating prices and finding new opportunities.

In the early 20th century, Louis Dreyfus had become the most important grain company in the world, with offices throughout Europe. The internationalization of the company continued and then crossed over to other continents; it opened sales offices in Minnesota (1909), Brazil (1911) and Australia (1913).

When Léopold died in 1915, the new generation of the family took over the company, namely his sons Louis and Charles. Two years later, an event rattled the very foundations of the company; the outbreak of the Russian Revolution swallowed up 150 of its sales outlets in that country. However, this event did not stop the company from being the top wheat producer, a position it held through the 1930s and until the outbreak of World War II.

In 1932 the company had expanded its maritime network and had a fleet of eight high-speed boats designed by Pierre Louis-Dreyfus, one of Charles' three sons. After Charles died in 1940, the next generational change occurred, which also included François and Jean, Pierre's brothers.

World War II devastated the company. Part of the family took refuge in Argentina and the rest had to enlist in the French armed forces. After this forced break, the Louis Dreyfus Group started to rebuild itself again; Pierre focused on the reconstruction of the merchant fleet, while Jean headed the grain production operations. The economic situation had taken a turn during this period and the company was not prepared; the market became less volatile and therefore less profitable for the Dreyfus family, who based their activity on sales. Competitors gained the upper hand by adding processing and refining facilities, while Louis Dreyfus was at a standstill.

The company had to be reinvented in the late 1960s, in the hands of the next generation, led by Gérard "William" Louis-Dreyfus, Pierre's son. The change came with the decision to diversify the group, which entered the real estate sector in 1971. The following year, Gérard took a chance and hired a team of seven experienced traders who had worked for Cook Industries. This gamble paid off; the company quickly expanded into new

areas of basic products, again becoming a benchmark in the international market. It continued to diversify; the French group entered other markets with high price volatility to get larger profit margins. In the mid-1980s, the company became one of the first to use the arbitrage method for energy products such as oil and gas, creating the subsidiary Louis Dreyfus Energy Corporation. It also expanded its business into new activities, which were not only commercial, but also production-related; it bought an orange processing plant in Brazil in 1988 and subsequently acquired land to plant orange groves in the United States. It created the subsidiary Louis Dreyfus Citrus in 1996, dedicated to the citrus fruit business.

During that period, the deregulation of the electricity market in the United States represented another business opportunity. The subsidiary Louis Dreyfus Energy was created in 1996, which became one of the first companies to negotiate electricity as a commodity. Three years later, the group extended this business model to the European market, taking advantage of the deregulation process. It also entered the telecommunications sector with the creation of the subsidiary LDCom Networks in 1998, directed by Robert Louis-Dreyfus, one of William's cousins. The new company began operating in France with its own fiber optic network and, at the start of the 21st century, it acquired several other companies in the sector, such as Belgacom and 9Telecom. Today, telecommunications are one of the most dynamic areas of the group's operations.

The company remains in the hands of the family, headed by Robert's widow, Margarita Louis-Dreyfus. The group is mainly dedicated to processing and marketing agricultural goods, oil and energy; it has over 10,000 employees worldwide and turns over €20 billion annually.

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Groupe Bel. 1865

The French group Bel was founded in Orgelet, a town in the department of Jura. In 1865 Jules Bel founded a business to mature and sell Comté cheese, which was produced locally. In 1897 the company, which had already begun to prosper, moved to Lons-le-Saunier, less than 20 kilometers from its original site. Jules continued to run the business from there, accompanied by his sons, Henri and Léon. When Jules died in 1904, his son Léon took over the cheese company.

During World War I, Léon Bel had to go to the front and was temporarily replaced by his brother Henri, who took over the family business. When the war ended, Léon regained control of the company. The fledgling cheese industry had begun to take off, and with it came the success of Bel Group.

Léon Bel began investigating the potential of processed cheeses, supported by innovative Swiss technology. Processed cheese was invented in 1911 by Walter Gerber in Switzerland, although the U.S. company Kraft Foods was the first to patent it in 1916. Bel decided to explore new ways to present the product, thereby inventing a new way of eating cheese. He looked for ways of making tasty cheeses that were cheap but easy to transport and store at the same time. As a result, Bel developed the first cheese on the market in individual portions in 1921. Aware of the importance of differentiating the company from competitors, Léon Bel registered the brand *La vache qui rit* (the Laughing Cow), a truly innovative name at the time. *La vache qui rit* was the first cheese brand registered with the French Institute of Industrial Property.

Furthermore, the presentation of the product was as innovative as the product itself. The cheese was packaged in round boxes initially made of

metal, which featured the image of a cow standing in a meadow. It was a drawing Léon Bel had done himself. A year later, the job of designing the brand image was given to the illustrator Benjamin Rabier, who decided to create an attractive, fun illustration of a cow laughing. The success of the image was immediate. That same year, Fromageries Bel was founded.

In 1924 the first machines for creating individual portions were installed in the plant at Lons-le-Saunier; this marked Bel's industrial and commercial takeoff. Two years later a new factory was built on the same site, incorporating the latest technology and allowing for the production capacity to be increased significantly.

In the 1930s the Bel Group significantly expanded its range of products, a strategy that continued throughout the following decades. As the successful product *La vache qui rit* began to be exported, Bel launched the Babybel cheese in 1952. Twenty-five years later Mini Babybel was launched, one of its most popular products. At the same time, the group improved and redesigned its packaging, making it more attractive for its target audience. Bel currently produces three types of cheese: pressed paste cheese, which includes Mini Babybel and Leerdammer; processed cheese under brands like *La vache qui rit* and *Apéricube*; and finally fresh cream cheese such as the well-known brands Kiri and Boursin.

There was another change in the company's management in 1937 when Léon Bel's son-in-law, Robert Fiévet, took up the post of CEO. Four years later he became the chairman of the company.

The qualities of processed cheese, especially its ease of storage and resilience, enabled the company to internationalize its activities early on. In 1929 Bel began to export its products and it built its first production facilities in Belgium and the United Kingdom. In the 1970s the company's international expansion extended from Western Europe to the United States and Morocco, followed later by Syria, Japan and China. The internationalization of the group was completed with the acquisition of several companies, including the French Port Salut in 1950, the British Crowson in 1973, the Dutch group Leerdammer in 2002 and the French Boursin in 2007.

The Bel Group continues to be led by the descendants of Léon Bel and Robert Fiévet; Antoine Fiévet is the current chairman and CEO. The company

has followed a careful strategy of external growth and has sought, in recent years, to expand internationally in accordance with its principles and values. Foreseeing new consumer habits, meeting the expectations of a market that is constantly shifting, and suggesting original high-quality ideas have been the group's leitmotivs from its beginnings.

Marketing strategies have also played a special role in the history of the company, which has always sought to create a very different brand for each range of cheese. In addition to the company's careful packaging of its products, Bel has designed elaborate campaigns to promote them and has experimented with various formats and media for their ads, helping consumers identify with the brand. The first ads for La vache qui rit came out in France in 1950. Another feature that differentiates the group is incorporating local specialties and flavors to its products.

The Bel Group employs 10,600 people and its consolidated sales amounted to €2.6 billion in 2012, representing an increase of 4.8% in comparison with 2011. Bel operates 33 subsidiaries and 27 manufacturing plants throughout the world and has five major brands worldwide: La vache qui rit, Kiri, Leerdammer, Boursin and Mini Babybel, in addition to 25 local brands. These brands reach 400 million consumers a year in 120 countries. The company estimates that 10 million portions of La vache qui rit are consumed daily.

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Michelin. 1889

The Michelin group, one of the world leaders in the production of tires, has its roots in Clermont-Ferrand, Auvergne, in Central France. The predecessors were Aristide Barbier and his cousin Nicolas Édouard Daubrée who, in 1832, under the name of Barbier et Daubrée, began manufacturing machines for agricultural use and components such as valves, belts and tubes.

Daubrée was married to the niece of a Scottish inventor who had managed to waterproof fabrics using rubber treated with benzene. She learned the technique and used it in the family business to produce some pieces of rubber. In 1860 Barbier et Daubrée had 400 employees, but, when its founders died in 1863 and 1864 respectively, the company was in decline.

One of Barbier's grandchildren said he would continue the business in 1886. It was André, whose parents were Adèle Barbier and Jules Michelin, an engineer of metal structures. Three years later he convinced his brother Édouard, a law graduate but who worked as a painter, to join the venture as a director. That is when the corporate name of the company was changed to Michelin et Cie. As such, 1889 is considered the year when the company was founded.

At that time, the factory had 50 employees, but before long the two brothers revitalized the company. One of the first innovations was producing rubber balls for children to play with. In the spring of 1891, a person came to the workshop asking if they could repair his bicycle, which had two inflatable rubber wheels developed and patented by the Scotsman John Boyd Dunlop three years earlier. The Michelin workshop solved the problem, but the repair took nearly a whole day. Édouard saw this as a business

opportunity. He set out to design a type of tire that cyclists could repair more quickly by themselves, without needing to go to a specialist. The result was the invention of the removable tire, not permanently attached to the rim. Production began in May and the patent was filed in June. The tires came with the explanation: "for velocipedes and other vehicles."

In September the two brothers learned that a newspaper had organized a 1200-kilometer Paris-Brest-Paris bicycle race, and they set out to win it. They took great pains to manufacture the wheels and trained a rider, who completed the journey in 71 hours, nine hours faster than the next competitor. This was a spectacular marketing operation for Michelin. As soon as cars became widely used, the company began manufacturing tires for them. In 1897 Michelin had 684 employees.

Édouard was a fine businessman, but his brother André was magnificent at promoting sales. In 1898 Michelin created Bibendum, a cartoon in the shape of a man made from tires, which became the company's ubiquitous advertising element. It has undergone many modifications, but it is still the company logo. In 1900 when there were only 3,500 cars in France, the two brothers launched the Red Guide on the market, a practical manual to make traveling easier for motorists, providing information about gas stations and good hotels and restaurants, which would end up becoming a food guide. The Michelin map was first published in 1910.

Meanwhile, Édouard was working in R&D, which led Michelin to become a pioneer in launching the steel wheel (1913) and the low pressure tire (1923). In 1906 the company opened its first plant abroad in Turin, Italy, and the following year it opened another in the United States. During World War I, the company manufactured 1,884 aircraft for military use.

When, in 1935, the carmaker Citroën suspended payments, Michelin took a controlling stake because it was the company's largest creditor. This stake was sold in 1974 to the Peugeot family business.

In 1928 Édouard named his son Étienne co-managing partner, though he died four years later in a plane crash at the age of 34. The successor was Pierre, Étienne's brother, who died in a car accident in 1937. He chose his son-in-law to replace him, a man named Robert Puiseux, who was married his daughter Anne. In 1938 an engineer who had worked with Michelin for

20 years, Pierre-Jules Boulanger, was made a co-partner. He also died in a car accident in 1950.

Édouard died in 1940 at the age of 80. At the time Michelin had 40,000 employees. Following the death of Édouard's children, the group's management was taken over by Puiseux and Boulanger, who were then followed by others.

In 1946 Michelin patented the radial tire. Company technicians had invented it before World War II and had even designed prototypes, but they destroyed them and hid the plans to prevent the German occupiers from getting their hands on the invention. The radial tire began to be sold in 1949 and it was revolutionary; in 1955 it had been adopted by almost all European vehicle manufacturers.

Since 1862 the group of core family shareholders has been constituted as a limited partnership (SCA in French). Since 1951 the holding company of the Michelin group, which is listed on the stock market, has been called SCA Compagnie Générale des Établissements Michelin. This structure implies the existence of two types of partners: silent partners (or shareholders) and active partners, who make the most important decisions at the request of the former. While the financial responsibility of silent partners only affects the money they have invested, active partners act jointly and with all their personal property. Shareholders also designate one or more managers to run the business. This legal formula largely explains Michelin's traditional policy of maintaining low debt. A considerable part of company profits is not used for dividends, but for recapitalizing the company to finance investments.

This tradition was broken in 1990 when Michelin bought the U.S. company Uniroyal-Goodrich Tire Company. The largest corporate transaction of the French manufacturer made it the largest tire producer in the world for a few years, with a market share of 20%. However, net debt reached 450% of the capital. It was lowered to 114% in 2005, and finally reached 12% in 2012.

A member of the founding family had returned to the senior management of the group in 1955. It was François, one of Étienne's sons – 29 years old – who shared the role of co-partner with other managers who were not

family members, a tradition which the company has tried to maintain. Some milestones achieved under his mandate were the installation of a factory in Canada in 1970, followed by another three in the United States, the launch of the Michelin Air X tire for aircraft in 1981 and two that have already been mentioned: the sale of Citroën in 1974 and the purchase of Uniroyal-Goodrich in 1990.

François transferred the managerial reins to his son Édouard in 1999. This involved a major reorganization of the group – which until then had grown in a very disordered way – and substantially reduced the company's debt. He died at the age of 43, in May 2006, when the boat he was fishing in sank. He was replaced by Michel Rollier, the other managing partner, who was related to the Michelins by marriage and whose father had held the same post under François. When he retired in 2012, he was succeeded by Jean-Dominique Senard. That year Michelin had 113,400 employees worldwide and the sales figures amounted to €21.5 billion.

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L'Oréal. 1909

The cosmetics manufacturing company L'Oréal was founded in Paris in 1909 by chemist Eugène Schueller. This young entrepreneur, who was 26, discovered a new formula for hair dye in 1907. Schueller patented the formula, which he called Oréal, and two years later he founded the Société Française des Teintures Inoffensives pour Cheveux (in English: safe hair dye company of France). Then he personally visited all the stylists in Paris door-to-door to sell his new range of dyes made from safe ingredients. This company became the origin of the current group L'Oréal; the name was adopted in 1939.

Thanks to his determination and eagerness, Eugène Schueller managed to spread the use of his dye rapidly across the country. The name became very popular in the cosmetics world as part of the editorial team at *La Coiffure de Paris*, a magazine that was well known for publishing numerous contributions from writers, doctors and chemists. Schueller, not content with just being printed on its pages, decided to buy the magazine in 1912 and used it to notify the public of all his inventions.

After the end of World War I, the company began a new era. The incorporation of women into the labor market and greater concern over their appearance was a good opportunity for expanding the business. L'Oréal dyes became a very common product for French women. Moreover, economic recovery encouraged the first exports of dyes to countries like the United Kingdom, Italy, Austria, the Netherlands, the United States, Canada, Brazil and even Russia.

At the same time, Schueller found that product diversification was the key to expanding the business. He was convinced that research and

innovation were the cornerstones for reaching this goal. As the result of continuous research, new products were launched in 1920, which began completing the range: L'Oréal d'Or, for lightening blond hair; O'CAP, a dry shampoo; Eau Capillaire, the company's first shampoo; and L'Oréal Blanc, a platinum blonde dye that became very popular. L'Oréal therefore began to set trends, a strategy it has maintained throughout its history.

After his experience with *La Coiffure de Paris*, Schueller was clear about the enormous potential of the media. His business vision urged him to continue along this path to enhance and promote the company's image. He installed a giant canvas with an image of the O'CAP product on a Parisian building in 1931. A year later, when radio advertising became more widespread, Schueller played his first jingle, the first advertisement that was not read but sung. In 1933 he created and published *Votre Beauté*, a monthly magazine dedicated to women's health and personal care. Through the magazine, L'Oréal products reached more women. Schueller complemented the publication of the magazine by holding new events and developing advertising strategies, including a significant promotional tour, Crochet Drop, which ran in Paris between 1947 and 1957. Similarly, convinced of the importance of having a presence in beauty salons, he designed a series of training programs and founded the École Technique des Arts et de la Coiffure, a school for stylists that taught new techniques for hair care and helped students to set up their own businesses.

During the 1940s the company continued in its efforts to extend its product range and create new trends. Several products were added to the company's well-known dye range: DOP, a revolutionary ready-to-use shampoo; Ambre Solaire, a sun protection oil; Monsavon, a soap with a specific milk-based formula; Oréol, a hair waving product; and Imédia Crème, the first organic, fast-absorption dye.

In 1954 L'Oréal decided to start its international expansion, beginning with the market that was the world leader in cosmetics: the United States. Cosmair, an acronym of Cosmetics for Hair, became the exclusive representation of products made by the French brand in the U.S. market. Two years later, after the death of Eugène Schueller, François Dalle took control of the company and gave a real boost to its internationalization. Under Dalle,

L'Oréal acquired numerous strategic companies such as Lancôme, Garnier, Biotherm and Vichy, and began a period of spectacular growth. At the same time, new subsidiaries were set up abroad and, in 1974, a strategic agreement with Nestlé was signed that opened a door to other markets, particularly Japan, the gateway to future expansion in Asia.

At the end of the 1980s, L'Oréal was present in more than 100 countries. The company became the undisputed leader of the beauty industry with a comprehensive and diversified range of products. Lindsay Owen-Jones was appointed CEO in 1988, and he continued making progress on the path forged by his predecessors: research, new product development and international expansion. L'Oréal was structured around five main business areas: hair coloring, hair care, skin care, makeup and perfume.

With a portfolio of powerful and international brands, L'Oréal came into the 21st century dedicated to diversification and its policy of growth. Directed since 2006 by Lindsay Owen-Jones as chairman and Jean-Paul Agon as CEO, L'Oréal has continued to make new acquisitions, diversifying its business areas and creating new products to meet the increasingly varied and changing needs of its customers. The group recorded sales of €20.5 billion in 2012 and has 72,000 employees.

The history of L'Oréal confirms the importance of transferring values from generation to generation. This, combined with adapting to new times, has been the key to the company's survival and success. Schueller was very clear from the outset that innovation was the inner strength that would sustain the business's future growth. And so it has been. His successors inherited this innovative spirit and shaped it into the company's DNA: "Research and innovation at the service of beauty." The family is still the major shareholder of the group, with a share of 30.9%. Jean-Victor Meyers, the grandson of Liliane Bettencourt and great-great-grandson of Eugène Schueller, was the last family member to join the company, at just 26 years of age.

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Netherlands

C&A. 1841

The well-known international fashion retail chain C&A was created in 1841 in Sneek, Friesland, in the north of the Netherlands. It was founded by the brothers Clemens and August Brenninkmeijer, whose initials gave the name to the company. The Brenninkmeijers came from the small town of Mettingen, Westphalia, and belonged to a long line of merchants who sold textile goods all over Europe. Initially, the company founded by the two brothers was dedicated to supplying the rural population with linen fabrics. Twenty years later, however, the business concept was changed completely. In 1861 the Brenninkmeijer brothers decided to open a store in Sneek and they established the first C&A retail clothing outlet.

The company's success was due to what was a revolutionary concept for the times; the Brenninkmeijer brothers decided to offer good quality industrially manufactured ready-to-wear clothing to a broad clientele at affordable prices, which began to replace the costly traditional handmade custom-order clothing. The concept was a great success, which not only allowed the company to quickly expand throughout the Netherlands in the hands of the following generations, but also contributed to the early internationalization of the business.

C&A began its international expansion in the 1910s. In 1911 the family-owned business opened its first store abroad, in Berlin, at a time when the German textile and fashion industry was beginning to flourish. Eleven years later, in 1922, C&A landed in the United Kingdom, installing a commercial outlet in the City of London. The international growth of the business came to a halt with the outbreak of World War II and it was not until the 1960s, and especially in the 1970s, that the company actively

resumed its expansion. In that period, C&A opened new stores in Europe, establishing a presence in Belgium (1963), France (1972) and Switzerland (1977). It also crossed the Atlantic in 1976, opening its first store in Brazil. At this point, the international trajectory of C&A was unstoppable and in the last two decades of the 20th century and the first years of the 21st, the fashion chain secured representation in a large number of markets, both near and far: Japan (1979), Luxembourg (1982), Spain (1983), Austria (1984), Portugal (1991), Argentina (1997), Mexico, Ireland and the Czech Republic (1999), Poland (2001), Hungary (2002) and the Russian Federation (2005).

Although C&A's activity started out and continues to focus on the fashion segment, since the 1970s the founding family has launched various efforts to diversify the business. In the 1960s and 1970s, the group entered into the financial services sector in Europe, and it also made its first capital investments in North America. In the 1980s, financial services were extended to South America.

Another of the initiatives to diversify the family business was the creation in 1999 of the real estate company, Redevco, which took over management of all the group's real estate property. Currently, with a portfolio assessed at nearly €4 billion, Redevco has over 700 properties, most of which are located in European countries, including Belgium, Denmark, France, Germany, Luxembourg, Portugal, Spain, Switzerland, the Netherlands and the United Kingdom.

In 2001 the founding family decided to reorganize its entire business portfolio and created the Cofra holding company to group together all of the family's companies: C&A, the retail segment operator; Redevco, dedicated to the real estate sector; and the two divisions dedicated to the management of private investment capital (Bregal Investments and the Entrepreneurs Fund).

More recently, C&A has made an effort to reinvent itself by improving quality, reducing costs and making itself affordable to any segment of society with a low household budget. This commitment has allowed it to recover positions in some countries, such as the United Kingdom, in which it had lost market share. As a result, C&A now features fashion for the

entire family. With its 12 proprietary brands, the firm fulfills all the fashion needs of its shoppers; from the latest trends to the most classic elegance. Between 2002 and 2008, the company began to experience one of the most significant periods of expansion in its history, doubling the number of commercial outlets. Since 2008, the company has opened new stores in Romania, Italy, Croatia, Serbia and Denmark, countries where it did not yet have any existing branches. In the Chinese market, C&A has around 20 stores on the outskirts of Beijing and Shanghai.

Currently, C&A continues to be a family-owned company with a presence in 21 European countries, over 1,575 stores and 37,500 employees. In addition, it is one of the most popular fashion chains in Europe; each day, some two million people visit one of the C&A outlets distributed throughout the continent. Germany, with 500 stores, is the largest market, followed by the Netherlands, Austria, Belgium, Spain and France.

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Heineken. 1864

A young Dutchman named Gerard Adriaan Heineken, at the early age of 22, convinced his mother that making high-quality beer would be a good business venture. In 1864 she agreed to purchase the Haystack brewery in Amsterdam – known as De Hooiberg – which had been in operation for nearly 300 years. And that is how the history of Heineken began.

Following the change in ownership of the factory, Gerard Adriaan Heineken hired more workers and opted to raise the quality of the product. The strategy was a success and in barely a year Gerard managed to boost beer sales from 2,100 to 5,000 kegs. By 1868, the Haystack facilities had already become too small. Therefore, the young entrepreneur decided to move to a new larger plant, located on the outskirts of Amsterdam. Business continued to grow and, six years later, Gerard acquired another brewery in Rotterdam, which, together with the previous one, considerably increased the company's production capacity. In 1873 the young businessman registered the company under the name of Heineken's Bierbrouwerij Maatschappij N.V.

At that time, the world of beer was seeing great technical advances. In 1870 the German businessman and inventor Carl von Linde built the first compressor refrigerator, a refrigerating machine that worked using a counter-current technique. This invention had revolutionary consequences for the beer industry and Heineken was one of the first companies to adopt it, thus eliminating the dependence on natural ice to preserve the product. Aware of the importance of research and technical progress, Gerard Heineken decided to hire Dr. Elion, one of the most outstanding pupils of the French chemist Louis Pasteur. Shortly after joining the company, Elion

developed a new type of yeast, known as A-Yeast, to give Heineken beers a distinctive flavor. The improvement in the quality of the product, together with its distinctness, led to a spectacular increase in sales. In 1876 the Dutch brand was already exporting beer to countries such as France, Belgium and Great Britain.

Gerard Heineken died in 1893 and his son, Henry Pierre, took command of a company that had annual sales of 200,000 hectoliters of beer. During the final years of the 19th century and the first years of the 20th, Heineken beer reached an even greater number of markets, including Asia, Indonesia and Africa. It also found its way to New York and, until the enactment of Prohibition in 1920, was sold by the most reputable restaurants and hotels in the city. Exports to the United States were suspended from 1920 to 1933. After the mandatory hiatus, Heineken managed to regain the U.S. market and, with its famous green bottle, it became the best-selling imported beer in the country.

The third generation of the family, represented by Alfred Henry Heineken, inherited the control of the business in the 1940s. His father, Henry Pierre, had sent him to New York to learn the marketing techniques used by Van Munching, Heineken's representative in the United States. Alfred Henry thus received training in the most advanced marketing techniques of the times, soaking up the culture of well-being that had taken root in the United States. After returning to the Netherlands in 1948, Alfred implemented successful advertising campaigns. The brand began to advertise on the radio and changed its logo so that the three "e's" in its name slanted slightly backwards, giving the impression of three smiling faces ("smiling e's"). These changes allowed the company to overcome the problems resulting from the lack of raw materials during World War II and the ferocious competition that began afterward.

A decade later, the company launched an innovative distribution system; the product began to be sold in supermarkets, in keeping with the "Beer Can Travel" slogan. Thanks to this strategy, in 1960 Heineken managed to break the record for beer sales in the United States.

Meanwhile, the beer brewer was taking a closer look at quality control, designing an exhaustive process to safeguard the quality of its products

through the creation of a technical team: the Heineken Technisch Beheer (HTB). The brewery also continued to invest large sums in R&D, just like its founder had done, and set up several laboratories to strengthen this business area. In 1968 it acquired its competitor, Amstel, which allowed it to extend the scope of its exports to new markets, such as the Dutch Antilles, Jordan, Lebanon and Greece.

The company did not neglect the European market either. In the 1970s, it landed in Ireland and France and, after purchasing several breweries, managed to increase its market share in Europe. During the 1980s, Heineken beer reached other corners of the world, as far flung as Jamaica, Tahiti, Morocco, Brazil, Japan and Argentina.

In 1989 Alfred Henry resigned as chairman of the company. His efforts and business vision had managed to position the company as the second most important in the world. His successors (Gerard van Schaik, Karel Vuursteen and Jean-François van Boxmeer) continued along the lines he had laid out: the innovation and internationalization of the group. Mergers and acquisitions helped the firm to gain more markets, both near and far. Some of the most noteworthy were the purchase of the Dutch companies De Ridder (1982), Royal Brand Brewery (1989) and a stake in Karlsberg (2002); the Irish brand Murphy's (1983); the French Fischer (1996); the Italian Moretti (1996) and the Spanish beers El Águila (1984) and Cruzcampo (2000).

The company's entry into Spain is worthy of special mention, as it introduced an innovative concept: tavern franchises, conceived as a network of Irish pubs, which have been promoting beer culture in the country for over a decade. This business model was joined by the "Heineken Thematic" division, developed through two lines of action: on the one hand, the opening of six pubs decorated with various beer-related settings; and, on the other, the exclusive distribution of the best beer brands, both domestic and international.

The business continues to be controlled by the family: Charlene de Carvalho-Heineken, only daughter and heir to Alfred Henry Heineken. The company has 165 factories worldwide and exports to 170 countries, with around 65,000 employees.

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SHV, one of the largest private companies in the international energy sector, was founded in Utrecht at the end of the 19th century. On April 1, 1896, a group of family businesses operating in the country's coal trade merged to form Steenkolen Handels-Vereeniging (SHV). Most of the eight participating families had a long history in the business. In some cases even century-long, as in the case of the Fentener van Vlissingen family, a long line of coal traders stretching back to the early 18th century.

SHV was created with the aim of becoming one of the largest players in the coal business. At the end of the 19th century, coal was the main energy source and a strategic resource for sustaining industry. The company was able to position itself in the coal sector almost immediately. In 1904 it acquired the rights to market the coal produced by the Rheinisch-Westfälisches Kohlen Syndikat, an organization that controlled coal production in the Ruhr region. Two years later, SHV also obtained exclusive rights for transporting the mineral along the navigable rivers and channels of the Netherlands, including the Rhine. To develop this business, the company established its first subsidiary, the Nederlandsche Rijnvaart Vereniging, which, decades later, had grown to become a world leader in the sector.

The Dutch group soon distinguished itself for its commitment to innovation. In 1907 it built the first mechanical conveyor belt for transporting coal, as well as a lift capable of moving 300 metric tons of coal per hour – an unheard-of amount at that time. The group was also a pioneer in the use of bridge cranes for loading and unloading coal. In 1913 the company was a clear leader in technical development and, although its headquarters

remained in Utrecht, it had new offices in strategic cities such as Rotterdam and Amsterdam.

A large part of the company's growth was thanks to the leadership shown by Frederik "Frits" Fentener van Vlissingen II, who joined the family business at the age of 22, taking over from his ailing father. Having inherited the entrepreneurial spirit of his predecessors, Frederik led the company during the first 20 years of the 20th century, pursuing diversification and horizontal integration for the business group. Along these lines, SHV established *Hollandsche Kunstzijde Industrie*, a subsidiary dedicated to the manufacture of synthetic fabrics, fueled by coal, which was also supplied by SHV. The financial resources came from the German company *Vereignigte Glanzstoff*, which was owned by one of the Dutch group's partners. *Unitas* was another of the companies established under the leadership of Frits Fentener van Vlissingen II. The company operated as a capital company, providing the necessary funds for creating new companies, both within the group and outside it.

The neutrality of the Netherlands during World War I allowed SHV to continue its business and even grow, thanks in part to the company's close ties with the German coal industry. In 1917 through *Unitas*, SHV entered the German market with the creation of *Nemos* (*Netherlandsche Maatschappij tot Ontginning van de Steenkolenvelden*), to operate the *Sophia Jacoba* anthracite mine in *Ibbenbüren*, in Northern Germany. Through this operation SHV, which had traditionally functioned primarily as an importer, began to export coal as well. This line of business became one of the main sources of revenue for the group in the decade of the 1920s. Around that time, the growing importance of oil did not go unnoticed by the company. At the end of the 1930s, it began marketing oil, although its interests in the sector did not become consolidated until well into the 1950s. At that time, its dependence on coal was obvious and the predominance of oil as an energy source forced SHV to look for the key to its future development in that sector. Some time earlier, the Fentener van Vlissingen family had purchased the stake held by the Van Beuningen family, thus becoming the sole proprietor of the business.

At the end of the 1950s, SHV finally positioned itself in the oil industry by purchasing shares in Austrian and Italian companies. The company took on the name of PAM to develop its oil business, using it as a trade name for the sale of petroleum products. It also built a network of gas stations, from the Netherlands to Germany and Austria. In addition, through a joint venture with the German Calpam, SHV began to export household heating fuel to Belgium, Denmark and Luxembourg.

In the mid-1960s, the company took a new step in its diversification. The discovery of a natural gas field in Groningen, in the north of the Netherlands, led the company to create the subsidiary Dyas in 1963 to pursue the business, making it one of the first Dutch companies to be dedicated to the exploration of these sites. That year, Paul Fentener van Vlissingen, son of Frits Fentener van Vlissingen II, joined the company. At that time, the position of company chairman was held by Frits Fentener van Vlissingen III, Paul's eldest son.

Paul handled the general management of the group for three decades. Under his leadership, SHV undertook new projects to diversify the business, it promoted mergers and the acquisition of companies, in addition to creating various subsidiaries. Among the new business lines, the distribution of consumer goods, recycling and energy were particularly significant. SHV entered the first of these sectors with the German company Metro, through the creation of the Makro wholesale supermarket chain. Inspired by the U.S. example of self-service stores, Makro opened its first outlet in Amsterdam in 1968 and met with early success. Ten years later, Makro had established a presence in several European markets and, later on, in the United States and Latin America. The success of this business concept encouraged SHV to acquire other retail chain stores in 1970, such as the German company Otto Reichelt and the Dutch firms Kijkshop and Xenos.

Another line of diversification centered on recycling. In 1975 SHV acquired the David J. Joseph Company, one of the largest recycling companies in the United States. The company also focused its attention on energy. In 1982 SHV acquired a stake in Primagaz, a French company founded in 1857 under the name Société Liotard Frères. The company had been a pioneer in the bottling of butane gas for its subsequent sale for

household and industrial purposes. In the mid-1980s, the Dutch group added a majority stake in the British Calor Gas, one of the leading suppliers of Liquefied Petroleum Gas (LPG) on the British market.

Drilling for oil, logistics, renewable energies and investment in equity capital were some of the other lines of business used by SHV to diversify its activities at the end of the 20th century and in the early years of the 21st.

Recently, SHV has decided to boost its positioning in the liquefied petroleum gas sector and, although it sold the Makro outlets in Europe, it has continued to expand this line of business, particularly in Latin America. Renewable energies represent another significant business area. The group continues in the hands of the Fentener van Vlissingen family. In 2012 it obtained revenues of €20 billion and employed more than 30,000 people in 25 countries.

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Italy

Amarelli Fabbrica di Liquirizia. 1731

Amarelli Fabbrica di Liquirizia has its origins in Rossano, in the Italian region of Calabria, in the early 18th century. Its founder, Paolo Amarelli, devised a new mechanism for processing licorice, a sweet-tasting root with medicinal properties typically found in the region, which had been used as a flavoring since antiquity.

The Amarelli family had been licorice merchants since the 15th century. They were a land-owning family that had been ennobled in 1656 with a barony, which was confirmed in 1836. Their coat-of-arms bore the legend *Domatur Armis: conquered only by the force of arms*.

Paolo's son, Fortunato, and his grandson, Paolo Fortunato, professionalized the business and formed an incipient company in 1731, which is regarded as its founding year. The company was passed from generation to generation through to the 14th generation in the early 21st century.

In 1840 Domenico Amarelli opened a store in Naples, the capital of the kingdom. The invention of a mechanism to extract the liquid from licorice root and the development of maritime transport helped the Amarellis' black product reach far-away markets. In the late 19th century, licorice was mainly exported to Great Britain, Belgium and Holland, where it was used to produce liqueurs, sweets, medicines and as a flavoring for cigars. In 1860 a member of the Amarelli family, named Fortunato, was the first mayor of Rossano after the unification of Italy.

In 1907 Nicola Amarelli introduced a new technology when he began using two steam boilers to prepare the root paste, which increased productivity. When Nicola died in 1924, his three sons – Fortunato, Pasquale and Giuseppe – joined the company under the management of his sister,

Giuseppina, who became the sole owner. Giuseppina had been one of the first women in Italy to earn a university degree in law. She never married. In her will in 1935, she left her three nephews the use of the company, but stipulated that its ownership would go to her future grand-nephews.

Between 1935 and 1941, in addition to the shortages caused by the Great Depression, the licorice manufacturers in Calabria suffered from competition with the U.S. company MacAndrews & Forbes, a manufacturer of liqueur extracts, which paid farmers more than the market price. The Amarellis adapted to the new circumstances by increasing the purchase price of the raw materials, and by selling farmland that had belonged to the family for generations in an effort to avoid having to dismiss their employees. Most had been working with the company for a long time, some of them by virtue of a long-standing family tradition that allowed children to inherit their parents' jobs. In the end, Amarelli was one of the few companies in the region that survived.

After the end of World War II, all three brothers came together to give the company a new boost. Fortunato and Pasquale took care of sales, while Giuseppe, who had keen technical skills, focused on improving the manufacturing process. After his brothers died, Giuseppe continued the business with the help of his son Giorgio, who died prematurely in 1986.

By then Giuseppina "Pina" Mengano, wife to another of Giuseppe's sons, Franco, had joined the company. Franco taught law at the university, where he had met his wife. Pina was given carte blanche by her father-in-law to introduce any changes she saw fit.

When Giuseppe died in 1990, his daughter-in-law Pina took over as CEO. One of her main achievements was to diversify production, in some cases reaching agreements with manufacturers of food and drink products to introduce a licorice flavor into their product lines. In the early 21st century, Amarelli was supplying grappa, cologne, liqueurs, beer, chocolate, toothpaste, shampoo, ice cream, condiments for fine cooking, etc. For her efforts at the head of the company, Pina received the honorary title of Cavaliere Ufficiale dell'Ordine al Merito della Repubblica Italiana.

In 2001 the Amarelli family opened the Licorice Museum in Rossano, which soon became the second most popular industrial museum in Italy,

only surpassed by the Ferrari museum. The fourteenth generation joined the company's management in 2003, when Fortunato Amarelli became CEO and later chairman. At that time, the company had a turnover of €4 million and employed around 40 people.

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Fratelli Piacenza. 1733

The exact year when the Italian garment manufacturer Fratelli Piacenza was born is uncertain, because in 1750 a fire destroyed the municipal archives that might have shed some light on the company's origins. We know that by 1733, a factory was operating in Pollone, Biella, in the northwest of the country, in the Piedmont region near the border with France and Switzerland.

The founder of the company was Pietro Francesco Piacenza, a manufacturer of wool products who was later joined by his son Giovanni Francesco (1727–1796). The latter was responsible for the company's first big step forward; by 1783 the company had around 100 employees. At first, it only produced canvas, until the ban on making textiles was lifted in 1790.

Giovanni Francesco had four children, two of whom were ultimately involved in the family business: Giovanni Battista and Carlo Antonio, the latter as chief executive. The company managed to overcome the difficulties caused by Napoleon's domination (1798–1814), which hampered production in the textile industry.

Carlo Antonio (1779–1842) had the idea of concentrating all the manufacturing phases in a single establishment and opening up a sales house in Turin, which helped the company to sell its wares outside the local market. He expanded the business by opening two new manufacturing centers in 1819. In 1830 the Piacenza company had 42 clients in different towns in the Kingdom of Sardinia, which controlled Piedmont at that time.

Among his seven children, Carlo Antonio appointed the oldest, Giovanni Francesco (1811–1883), as his successor, who alternated overall management with his brother, Gregorio, while another brother, Delfino, ran sales out of Turin and managed relations with France, Belgium and Great Britain.

During this period, the manufacturing and commercialization of textiles was modernized, taking British technology as the reference point. Two or three times a year, Giovanni Francesco traveled to London to learn about the latest developments and to buy wool and machinery.

In 1839 Giovanni was a pioneer in introducing multicolored fabrics into the Italian peninsula. He also created a network of sales agents to take his goods directly to clients, without intermediaries, first throughout the kingdom and later to clients across unified Italy. The company earned a silver medal at the Turin Fair in 1833 and a gold medal at the Turin (1844) and Genoa (1854) fairs. In addition, the Piacenza brothers expanded the business by purchasing other companies. As a result, in 1854 the president of the government of Piedmont, the Count of Cavour, cited Giovanni as an example of an entrepreneur with a vision for the future.

Giovanni supported the unification of Italy and free trade, and he became the mayor of Pollone, where he created a botanical garden. He died in 1861, although he had retired years earlier for health reasons and had turned the company over to two of his children. He and his wife, Guiseppina, designated their second son, Felice (1843–1938), who had furthered his education in Central Europe, as their general heir.

With the assistance of his brother Carlo, Felice recapitalized the firm and introduced constant innovations in materials, design and fashion. He also reorganized the company. After a trip through several European countries, in 1867 he set up a Steering Committee with a structure that delegated specific tasks to the heads of each area. In 1898 he built one of the first hydroelectric power plants in Italy for his factory. The increased production allowed the company to open a new factory in Turin in 1911. During this period, the company expanded its markets and entered France, Belgium, Great Britain, the United States and several Asian countries.

Felice was one of the promoters of the Lega Industriale Biellese, which aimed to reconcile the clashing positions of business owners and workers and helped to create the Italian Wool Association. In 1911 he created Lanificio Scuola, where students training to work in the textile industry could get practical experience. Felice and other partners also invested in the creation of an automobile factory in Turin. After 1913, the company began

to import cashmere, a goat wool that is highly prized for its silky, lightweight texture and its warmth, originally from the Indian region of Kashmir.

Felice had four children: Livia, Guido, Mario and Enzo. His two older sons focused on their hobbies: mountaineering, aeronautics and archaeology. The company management fell to his youngest son, Enzo (1892–1968). When World War I broke out, after a period of training in a military school, he was sent to the front lines. During the conflict, the family company was dedicated exclusively to the manufacture of military uniforms.

The Great Depression, which began in the United States in 1929, seriously affected Fratelli Piacenza, so much so that it was inactive for a period and even closed its Milan plant. During World War II, the company once again primarily manufactured military uniforms.

Enzo Piacenza made the decision to focus exclusively on haute couture by manufacturing high-quality, colorful and extremely fashionable women's clothing. In this way, he managed to add Parisian firms like Dior and Balenciaga to his list of clients.

Enzo was succeeded by his son Giovanni (1926–1994) as the president and CFO of the group. In 1990 the strategic decision was made to launch just one dress collection per year, in the winter, and to work only with quality raw materials like cashmere, alpaca and angora, in order to exclusively target the highest market segment. In addition to dresses, the company also made coats, scarves, trench coats and accessories.

Giovanni was succeeded by his son Riccardo; when Riccardo died in 2004, he was replaced by his brother Guido. In 2007 for the first time in the history of the group, an outside professional was hired to occupy the top executive position, namely Fabio Foschi.

In the early 21st century, Fratelli Piacenza supplied its garments to haute couture firms like Zegna, Gucci, Prada, Louis Vuitton and Hermès. Sales in Japan were systematically organized after 1970. Twelve years later, a subsidiary was opened in Tokyo, and in 1993 another was opened in Beijing, China.

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Fonderia Campane Daciano Colbachini e Figli. 1745

The company currently called Fonderia Campane Daciano Colbachini e Figli was founded in the mid-18th century in Angarano, in Bassano del Grappa. The town is located in the northeast of the Italian peninsula in the heart of the Veneto region, near Padua, Vicenza, Venice and Verona.

In around 1740, a bellfounder went to Bassano to carry out an order. Giuseppe Colbachini, the son of a canvas weaver, became his apprentice. He loved the work, and in 1745 he set up his own foundry with the assistance of his brothers, first Antonio and later Daciano and Gaspare. Giuseppe was an expert in both mathematics and music, so he merged technical knowledge with an aesthetic sensitivity. The foundry immediately earned a good reputation.

According to the historical narrative recorded by the Associazione Italiana di Campanologia, at one point there was a family argument between the brothers Giuseppe and Daciano, who ran the company, and their children: Bartolo, Giuseppe, Daciano and Gaspare. The children moved to Padua to set up their own business. The firm founded by the older generation gave rise to the creation of the company Colbachini da Giuseppe a Pietro di Bassano del Grappa.

Drawing on the technical quality of the initial workshop and the entrepreneurial spirit of the family, over time other Colbachini foundries were opened, although their lifespans were limited. They included Colbachini Pietro e Antonio d'Angarano, which cast a bell in Vicenza in 1772, and

Colbachini Giovanni e Figlio di Vicenza which, according to records, also cast several bells in the town in 1840.

In 1887 another Colbachini (Luigi) joined the Fonderia Chiappani di Trento, where he would become the director and then set up his own business in 1907. In 1924 he cast what remained the largest bell in Italy for years, weighing in at 11,500 kilos, for the town of Rovereto.

In the early 19th century, the sons of Giuseppe and Daciano who broke away from the family set up the company Colbachini Daciano e Figli di Padova, and over time it became the current Fonderia Campanie Daciano Colbachini e Figli.

Padua was the seat of the diocese, an important factor for a company whose main clients were Catholic churches. In fact, they set up a foundry that was just a few meters from the Episcopal Palace. The business prospered, expanding its market far beyond Veneto and procuring customers in other countries.

One major step in consolidating the prestige of the company was earning the title of “pontifical foundry” by Pope Leo XIII in 1898, which was renewed in 1904 by Pius X. In 1924 the honor was granted to the competitor Fonderia Marinelli, which was founded in 1339 and is the oldest company in the sector, still in operation in 2013.

Prominent examples of work done by Daciano Colbachini are the three bells it cast between 1919 and 1926 for the Santuario della Madonna dell’Angelo in Caorle, Veneto. In 1922 it cast three others for the Santa Maria Maggiore in Tramonti di Sotto church (Friuli-Venezia Giulia). In 1930 it restored one of the bells in the Teramo Cathedral Tower (Abruzzo), which had been damaged in 1798 when the invading French soldiers had tried to destroy it. In 1932 it recast one of the six bells (called the Ave Maria bell) in St. Peter’s Basilica in the Vatican. Three years later, it delivered a bell weighing 13,200 kilos for the Temple of Christ the King in Messina. Its numerous projects include the remodeling of two bells from San Giorgio Martire church in Capriolo, Lombardy, and the more recent construction of a bell weighing 5,140 kilos for San Raffaele Hospital in Milan.

At the end of World War II in 1945, one of the Colbachinis, Attilio Daciano, foreseeing the country’s reconstruction needs, created a company

(called FIP) to commercialize and later manufacture products for construction and the hydroelectric and highway industries. FIP was sold in the early 1960s to Romeo Chiarotto, the executive in charge of growing the company, who became a shareholder in the industrial group promoted by the Colbachinis.

In the mid-1960s, the Colbachini family began to diversify its activities, in addition to the foundry, by manufacturing rubber tubes to conduct liquids. IVG (Industria Veneta Gomma) Colbachini S.p.A. was created from this business.

In 1988 the group planned a partial IPO of the holding company ICV Colbachini S.p.A., a project that never materialized. At that time, the shareholders were the Colbachini and Chiariotto families (80%) and Italfinanziaria Internazionale (IMI group, 20%).

In 2012 in addition to manufacturing rubber components, the IVG Group was also present in such diverse industries as pharmaceuticals, plastic transformation and precision instruments. It had factories in other countries and exported 68% of its sales, which totaled €115 million.

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Giobatta & Piero Garbellotto. 1775

The company now called Giobatta & Piero Garbellotto S.p.A. (which manufactures barrels, vats and casks out of high-quality wood) was founded in 1775 in the town of San Fior, near the Italian city of Conegliano, Veneto, 60 kilometers from Venice. Its founder, Giuseppe Garbellotto, opened a carpentry and cabinetmaking workshop, which was continued by his son Pietro (born in 1778) and his nephew Augusto Emilio (born in 1801). They made barrels, vats and tanks for storing liquids, as well as quality furniture. At first, the workshop, which employed around a dozen people, was located in a courtyard off the family home.

Giovanni Battista (born in 1827), a member of the third generation, managed the company for almost half a century with the help of his sons. Emilio, his heir, emigrated to Brazil, where he founded a timber company that was still operating at the beginning of the 21st century. Giovanni Battista's right-hand man in Europe was his son Narciso (born in 1853), who succeeded his father in 1887 and, together with his two brothers, specialized in producing casks for wineries. The company earned such renown that the Garbellotto brothers became purveyors for the Hapsburgs. One of their clients, Prince Charles of Hapsburg, who would become the emperor of Austria between 1916 and 1918, commissioned them to make the casks for the farming properties belonging to his wife, Zita of Bourbon-Parma, daughter of the Duke of Parma.

During World War I, the Austrian army invaded the region where the company operated and set up a military first-aid hospital in the Garbellotto factory, leading to the loss of the machinery and the family archive.

After the Great War, Giobatta, Narciso's son, took over the business, moved the production center to the nearby town of Conegliano and modernized the organizational structure. Garbellotto soon regained its leadership position in Italy, which was only interrupted by World War II, during which manufacturing was once again halted.

Giobatta was succeeded by his son Pietro, known as Piero, who had received specialized training in winemaking. Under his leadership, the company changed its name to Società Bottai di Garbellotto & Cie., which it would later change to the current Giobatta & Piero Garbellotto S.p.A. Piero moved the workshop to larger and more modern facilities. Aware of the need to diversify the business, he extended the family-owned company's activities to the timber trade, which provided it with access to high-quality raw materials and allowed it to achieve economies of scale. In this way the company could also compensate for the seasonality of barrel-making, since orders are often associated with the harvest season.

According to the company's official history, this decision "saved the company during the serious crisis that affected the industry in the 1980s," when barrel-makers were temporarily transferred to the new division so that "the manufacturing know-how could be preserved." At that time, the company was supplying barrels, vats and casks to winemakers all over the world. An order from the United States was the "miraculous" reprieve, in Piero's words, that saved the company. At that time, the Garbellotto workshops had very little work, and the only thing that kept him from closing down the company was his responsibility to the families who depended on it. Under these circumstances, the Gallo wineries in Modesto, California, owned by the Gallo family with roots in Italy, enlisted the advice of William Bonetti, also an Italian, who was the technical director of a competing company. Bonetti, who was living in the United States, had been a classmate and good friend of Piero Garbellotto and recommended that the Gallo family contract his company as its supplier. Thus, the company received an order for 712 casks with a capacity of 166 hectoliters each, which were delivered within a period of five years.

In 2006 Piero, who had fallen ill, passed along his managerial responsibilities to his three sons – Piero, Piergregorio and Pieremilio – who were still

co-managing the family company in mid-2013. Four years later Garbellotto entered the *Guinness Book of World Records* for having built the largest cask in the world. It was the *Magnifica*, commissioned by the family-owned winemaking company Tommasi; it contained 5,000 kilos of oak and had a capacity of 33,330 liters. In March 2013, the magazine *Eco delle Foreste* described the Garbellotto company as “the Rolls Royce of wine casks.”

Today the company manufactures an average of 45,000 hectoliters of barrels per year and employs around 70 workers. The wood is purchased directly from the best European forests in Croatian Slavonia, from the Massif Central in France and from Central Europe. Garbellotto has a repair service, made up of barrel-makers equipped with mobile workshops who periodically visit any clients who need it.

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Falck Group. 1833

The roots of the Falck family business date back to 1833, when the engineer Georges Henri Falck was hired to manage the foundry in Dongo, which belonged to the Rubini family and was located in the Italian region of Lombardy (then under the Austro-Hungarian Empire). The Rubini family had been one of the leading silk producers in Italy. However, in the late 18th century, they decided to diversify their activities and purchased the foundry in Dongo and the iron mines located on the banks of the Como River. At that time, the Dongo foundry was suffering from the limitations of small-scale production and urgently needed to hire experts who could modernize processes and improve the quality of its cast iron. Georges Henri Falck, in turn, was an engineer from Alsace with extensive experience in metalworking. His arrival at the Dongo foundry was a turning point; Falck became a partner in the company and immediately began to introduce technical improvements, setting in motion its transformation into an industrial company. However, the economic crisis of 1846–1847 plunged the company into a severe crisis, and the association between the Falcks and the Rubinis was interrupted for a period of time. In 1863 Enrico Falck, the son of Georges Henri, married Irene Rubini, heiress to the company in Dongo. After Enrico died in 1878, his wife and later their son, Giorgio Enrico, took over the business, which was, however, in dire straits.

On January 26, 1906, Giorgio Enrico Falck founded the corporation Acciaierie e Ferriere Lombarde (AFL), heir to the previous business. The new company moved to Sesto San Giovanni, a town located on the outskirts of Milan, where it built large-scale modern facilities. It was a strategic location for the company; despite its lack of proximity to a mine,

the region had plenty of water resources and was very close to the railway network that transported coal from Germany, Belgium, Switzerland and Luxembourg. Giorgio Enrico Falck, following in his father's footsteps, soon outfitted the company with state-of-the-art technologies. In 1908 the first Martin-Siemens furnace was installed in the Sesto San Giovanni factory, which had a capacity of over 30 metric tons. This and other technical improvements gave the business a strong push forward. AFL thus became the visible spearhead of Italian industrial development. On the eve of World War I, the Falcks manufactured approximately 9% of Italy's entire steel output, at 84,000 metric tons per year.

Between 1906 and 1935, the company built an extensive network of steel production plants. Unlike the other producers, beginning in 1912 the Falcks had been making steel by smelting scrap. The use of this "raw material" gave the company a double competitive advantage; it no longer depended on iron mineral imports and reduced its production costs as well. The Falck family's company was also noted for pioneering in the use of new energy sources. In this sense, the construction of hydroelectric plants helped them solve the main bottleneck hindering the development of the iron and steel industry: the dependence on imported coking coal. These two strategies – the use of scrap and hydraulic energy – were particularly successful during World War I. While Falck benefited from the increased demand for metallurgical products, the Italian iron and steel industry as a whole found itself forced to curtail production due to the shortage of raw materials.

There was also a third factor explaining the company's success. AFL had been founded as a company with strong oversight from Italian banks, its leading shareholders. However, in the span of just a few years Giorgio Enrico Falck had decided to repurchase most of the shares in order to retain family control over the company. In parallel, he set up an extensive network to provide the necessary capital for the company's operations. The large industrial families of the era began working together as business partners and, along with the Falck family, they supplied the funds required to circumvent the need for bank financing. In this way, the company not only managed to remain independent; it also kept clear of the crises that affected Italian banking.

The 1930s began with the arrival of the third generation. Giorgio Enrico Falck's sons – Enrico, Giovanni and Bruno – joined the management of the family company, which changed its name to AFL Falck. In 1934 the company created a new business division (Servizi Idroelettrici) which was charged with managing the family's increasing interests in the energy industry. By the 1940s this new company was already contributing significantly to the overall turnover; in 1946, AFL Falck owned 10 hydroelectric plants, which generated 203 megawatts of energy, almost 3% of the total national production.

During the 1950s and 1960s, AFL Falck experienced continued growth. With Giovanni Falck as the president, the company invested in purchasing new smelting furnaces, hot rolling mills and production plants. It also introduced technological innovations, such as oxygen injection for the production of steel, one of the most efficient systems for yielding high-quality steel. This technological improvement translated into an extraordinary spike in productivity; between 1961 and 1963, AFL Falck's production grew at an unprecedented rate. In 1963 the company was listed on the stock exchange, and it became the largest steel producer in the country.

The arrival of the 1970s signaled a shift in trends. Rising competition from emerging countries like Argentina, Brazil and Mexico, along with the 1973 oil crisis, plunged the metallurgy industry into a deep crisis. In just one year, from 1974 to 1975, world steel demand dropped by more than 8%. However, the Falcks managed to deal with the difficulties by relying on the diversification of their business and the efficient production structure. The 1979 crisis dealt the company and the industry as a whole yet another harsh blow. In the early 1980s, the industry was suffering from excess capacity, and prices plummeted. The metallurgy industry ended up needing a bailout. In Europe, the main measures were aimed at reconversion by establishing quotas and channeling production into new branches of industry.

AFL Falck, which had led steel production in Italy for years, had to contend with a compulsory restructuring. The company gradually left behind what had been its core business to invest in its current main activity: renewable energies. In 1996 it changed its name to Falck S.p.A. and, through its subsidiary Sondel, which worked in hydroelectric power generation, it invested heavily in building new plants to generate solar, wind

and biomass power. The business's reconversion was ultimately successful. In the late 1990s, Sondel began an ambitious project to build combined cycle co-generation plants fed with natural gas, and it cemented a leadership position in the Italian energy market.

Today, Gruppo Falck continues to focus on producing renewable energy. Through its subsidiary Falck Renewables S.p.A., the heir to Sondel, the group offers services focused on the design, construction and development of renewable energy production plants. The company primarily operates in Italy, Spain and the United Kingdom, and it still remains in family hands, with Federico Falck as president. In 2012 Gruppo Falck brought in €274.6 million and employed 254 workers.

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Italcementi. 1864

Italcementi, the fifth leading cement manufacturer in the world in 2013, has its origins in the Società Bergamasca per la Fabbricazione del Cemento e della Calce Idraulica. It was founded in Bergamo, Lombardy, by Giuseppe Piccinelli in 1864, three years after the unification of Italy and one year after the creation of the Polytechnic University of Milan.

Piccinelli was a pioneer in making Portland cement, which he began to produce artificially in 1873 by mixing lime and clay. He soon expanded his business by purchasing another company in the industry. In 1904 Piccinelli was elected to Parliament, which required him to spend long periods of time in Rome, away from his company. This distance, coupled with the founder's health problems, led him to sell the company.

The purchasing company was Fratelli Pesenti fu Antonio, which had been founded in 1878 by the Pesenti brothers. At the head of the company was Cesare, one of 12 children, who had studied engineering in Germany. In 1906 the family decided to merge the cement company it had purchased with its own, giving rise to Società Italiana dei Cementi e della Calce Idraulica. Eleven years later, they bought another company in the industry, and in 1914 the Pesentis owned 15% of the Italian cement market.

In 1925 the company was listed on the Milan stock exchange under its current name of Italcementi. Two years later, through the acquisition of other companies and the opening of new factories, the company had 33 factories and had become Italy's leader in the industry with 44% of national cement production.

After Cesare died in 1933, the general management was taken over by his son Mario (who died in 1940) and his nephew Antonio. Beginning in

1918, Antonio had also run the Italian cement producers' organization, a position which ended up being very useful to him in limiting intervention from Mussolini's fascist regime in the industry.

In 1942 Antonio became the president and appointed his cousin Carlo, son of another of the founding brothers, as CEO. During World War II, Carlo was a victim of government reprisal and was forced to leave Bergamo. He returned to his position after the war and also became chairman of the Board. Carlo's main job was to oversee the vertical integration and technical consolidation of cement production, in addition to diversifying the group. This diversification implied, for example, purchasing the electronic components company Franco Tosi and entering the financial and insurance sectors through large shares in entities like the Banca Provinciale Lombarda and the RAS insurance company.

In 1979 the group's structure and shareholder composition was reorganized. Italmobiliare was no longer a subsidiary and instead became a holding company and majority shareholder. Even though Italmobiliare was also listed on the stock market, the Pesenti family controlled it through a number of companies. In 2009 they owned 47% of Italmobiliare, which in turn owned 61.6% of Italcementi.

In the 1970s and the early 1980s, the overall economic downturn, which cut into the income and profitability of the cement business, coupled with the high level of debt taken on by Italmobiliare, forced the family to sell its shares in the financial sector. The Istituto Bancario Italiano, which was the umbrella for its shares in local banks, was sold in 1982.

Carlo Pesenti passed on the CEO position to his son Giampiero in 1983, one year before his death. At that time, Giampiero also took over as chairman of the Board. In 1984 Italcementi sold the ownership of its shares in Banca Provinciale Lombarda and the insurance company RAS. It also sold the industrial activity associated with Franco Tosi to the Asea Brown Boveri group.

In 1987 Italcementi began to purchase cement companies in different regions of the United States. It also acquired companies or negotiated strategic and/or shareholder agreements with firms in Morocco, Bulgaria, Kazakhstan, Thailand, India, Egypt, Saudi Arabia, Kuwait and China.

In 1992 Italcementi became one of the major players in the global cement industry after its purchase of Ciments Français, which led the Italian group to triple its turnover. However, the transaction was not straightforward. Paribas bank, the shareholder that owned the control package in the French cement company, was interested in divesting itself of its shares (54.7%) as quickly as possible. Italcementi had very little time to check the status of the different production centers and to analyze the balance sheet and profit and loss statement. The Italian company bought 45% of the company (later expanding it to 82%) and negotiated a guarantee clause in case it discovered later on that the numbers did not reflect the reality, as was indeed the case.

Paribas admitted the mismatch in assets, which had been hidden without its knowledge by the president of Ciments Français and, after arbitration, in 1994 it paid 325 million francs to Italcementi, which had paid 6 billion francs for the company. After the acquisition of the French group, Italcementi became the largest European cement producer, with 17% market share, and it gained a presence in new countries, including Spain, Portugal, Greece, Germany and Mexico.

In 2003 Franco Tosi, part of Italmobiliare, purchased Petruzalek, a company that distributes products and machinery for the manufacture of fresh foods, with operations in Austria and the leading Eastern European countries. Later, the holding once again invested in the financial sector through shares in Capitalia and in Banca Leonardo. It also entered the publishing world by joining the multimedia publishing group RCS Media Group as a partner; in 2013 it owned 7.7% of the shares in RCS.

In 2004 Giampiero Pesenti handed over the role of CEO to his son Carlo, who was born in 1963. Giampiero became the president of the cement group and remained president and CEO of the holding company Italmobiliare.

In 2013 Italcementi had a production capacity of 68 million metric tons of cement in 53 plants located all over the world. The consolidated turnover the previous year was €4.5 billion.

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Barilla Group. 1877

Gruppo Barilla was founded in 1877 in the city of Parma, located in the region of Emilia-Romagna. That year, Pietro Barilla senior (1845–1912), who came from a family of bakers, opened a store on Vittorio Emanuele Street in the middle of Parma, where he sold bread and pasta.

In 1910 the company began a new era under the management of the brothers Gualtiero and Riccardo Barilla, sons of the founder, who opened up the first pasta factory. The plant was equipped with state-of-the-art technology and had German ovens manufactured by Werner & Pfleider, which let them bake bread continuously. The factory, located on the outskirts of Parma, employed 80 workers. In 1910 the corporate image was registered; it had been designed by the sculptor Emilio Trombara and was reproduced on cards, posters and sculptures. Shortly thereafter, new images were added to the company's stationery to reflect the international scope the Barilla brothers hoped to give to the company. In 1916 the first printed color catalogs were designed showing the different kinds of pasta produced at the factory, and they were distributed to all vendors and representatives.

During the interwar period, the company installed six new machines in the factory, designed by two engineers from Parma, which allowed them to manufacture pasta automatically and nonstop. Production rose dramatically even though the company had to deal with the problematic lack of differentiation of its products. During a period of increasing competition, it was becoming more and more necessary to find a new system that would help customers identify and differentiate Barilla products. To do this, the two brothers founded the first stores devoted exclusively to selling Barilla pasta, and they designed new packaging that showed the product inside.

In parallel, the company began participating in fairs and exhibitions and using merchandising techniques as a way of publicizing a product range that was expanding over time. In the late 1920s, Barilla pasta had added a variety that was enriched with phosphorous, and another that was enriched with gluten.

Riccardo Barilla died in 1947. His sons, Gianni and Pietro, succeeded him at the helm of the company; Gianni was in charge of the factory, purchasing and management of the company, while Pietro was in charge of sales, advertising and public relations. Three years later, Pietro traveled to the United States with the aim of bringing back the latest techniques in packaging, advertising and large-scale distribution. After that trip, he realized the need for professionalizing the company and promoting its core business. As a result, Barilla stopped manufacturing bread in 1952 in order to focus exclusively on the pasta market. Three years later, the company opened a new factory that was equipped with state-of-the-art technology.

During his trip to the United States, Pietro Barilla had also learned about the importance of a good commercial image, a factor that his father had understood very well. Thus, in the 1950s, the Barilla family hired the publicist Erberto Carboni, who was put in charge of designing the new brand image and developing several advertising campaigns. One was particularly successful thanks to the slogan "Every day is Sunday with Barilla pasta," which won the *Palme D'Or* in 1952. During that period the first cartoons were created, to be shown in movie theaters, and then the first TV advertisements, which began featuring famous singers in the 1960s.

During the 1970s, the company opened two new plants, which stood out not only for their size but also for their modern installations. The factory in Rubbiano was opened in 1965, and three years later construction began on a new plant in Pedrignano, just a few kilometers from the city of Parma. At the same time, the family-owned company began to diversify its production with the inclusion of a product that it had set aside 13 years earlier: bread. At this point, the Barilla family had laid the extraordinary groundwork that helped it maintain its stride during several years of spectacular growth.

In 1971 after months of negotiations, the Barilla brothers sold the majority of their shares and the Italian company was absorbed by Grace, a

U.S. multinational. Barilla remained U.S.-owned for eight years. In 1979 Pietro Barilla decided to recover the family company and bought back the shares that had been divested.

During the years when Barilla was a U.S. company, efforts were made to cement its growth potential. New production plants were opened in Southern Italy and steps were taken to vertically integrate and diversify the company. In 1974 the company purchased its first mill located in Altamura (province of Bari) with a production capacity of around 350,000 kilos of wheat per day. One year later, a new line of baked goods was brought to market, commercialized under the brand name of Mulino Bianco. With this brand, the company hoped to convey the values of well-being and health, as captured in the brand's first advertisements, which were released one year later.

After Barilla returned to the family fold, the company continued to strengthen its presence in the local market. It absorbed several pasta-manufacturing companies, including Braibanti, Laboratori Riuniti and Pavesi. It also purchased foreign companies in order to further its internationalization. In 1991 Barilla bought Misko, a Greek company that was a leader in the pasta sector, and it created Barilla Deutschland, its German subsidiary. Likewise, the successful brand Mulino Bianco considerably expanded its product range to include new kinds of bread, snacks and cookies.

Pietro Barilla died in 1993, and his sons, Guido, Luca and Paolo, succeeded him at the helm of the company. The family company began a new era which continued to focus on diversification and international expansion. Barilla founded a logistics company, thus entering a new business line, and it opened manufacturing plants in the United States. It also purchased the German group Kamps AG, a leading bread manufacturer in Europe. More recently, it has made major efforts to foster and promote Italian food culture. In that vein, Barilla has launched new product lines, such as Piccolini pasta targeted at children and the premium-quality Voiello pasta. Likewise, in 2004 the Barilla Academy opened its doors, an international project whose mission is to promote and protect Italian gastronomy.

The company remains family-owned today with the fourth generation at the helm, and it is currently the world leader in the pasta industry. In

2012 it generated revenues of roughly €4 billion. The company is organized into two business areas: food solutions, which includes pasta and prepared sauces; and bakery items, which encompasses around 180 products, including cereal, packaged and toasted bread and cookies. It has 14 manufacturing plants in Italy and 28 abroad, which allows it to export to more than 100 countries.

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Bulgari. 1884

The origins of Bulgari date back to the late 19th century. It was in 1877 that Sotirio Bulgari, a young Greek gold-worker, moved from the island of Corfu to the Italian city of Naples. Born in 1857 in the Epirus region, which is known for a long-standing jewelry tradition, passed on from generation to generation since the Byzantine era, the founder of Bulgari was trained in the art of filigree work, which had been evolving for centuries.

Sotirio Bulgari also had an innate entrepreneurial talent, which led him to notice how the end of the century was bringing in new fashions imbued with the art nouveau style that was gradually taking root in the capitals of Europe. Rome was one of these capitals; the Eternal City, along with London and Paris, dominated fashion on the Old Continent, and the young jeweler thought it was the perfect place to begin creating a luxury brand.

In 1884 Bulgari and his two sons opened the first Bulgari store on Rome's Via Sistina, even though the most representative store, which is still regarded as the brand's flagship, was opened on Via Condotti in 1905. In just a short time this store became the place where the rich and famous went to purchase unique, high-quality jewelry.

During the first half of the 20th century, Bulgari jewelry gained prestige among Rome's upper classes due to its quality and unmistakable personality, inspired by Greco-Roman classicism and the Italian Renaissance; its elegance and appeal, as well as the use of specific materials, made the brand famous.

Sotirio's sons joined the family business in the 1940s, and with them came the first Bulgari watches. The two brothers, Giorgio and Costantino, had been steeped in their father's business and trade from their earliest

childhood. Building on what they had inherited, they developed a special interest in watches, and they added the characteristic lines of the 19th century Roman jewelry school into their watch designs.

This success coincided with the installation of the Cinecittà studios in Rome, so the Bulgari store became the parade grounds for international film actors. During the 1950s and 1960s, the Bulgari style carved out a niche for itself in Roman and European fashion, but it was not until 1977, with the Bvlgari Bvlgari collection, that it finally managed to gain a foothold in the luxury watch segment.

After Giorgio died, his son Gianni succeeded him as the general manager, and he shared the management with his cousin Marina. Gianni was in charge of the internationalization process launched by the company during the 1980s. Bulgari opened stores in New York, Genoa, Monte Carlo and Paris. During this period, the company focused on producing and designing high-end watches. In 1982 it set up Bulgari Time Neuchâtel, devoted solely to watch design and production.

Despite the fact that the company experienced steep growth and enormous international projection under his leadership, in 1987 Gianni retired and left the post of CEO. He also sold his part of his shares to his brothers Nicola and Paolo, who became the president and vice president of the company, respectively, while their nephew, Francesco Trapani, was appointed as the new CEO.

After a long period of growth, Bulgari started a phase of diversification in the early 1990s. This was when the company began expanding its activities; in 1992 it launched its first fragrance, which was soon followed by 10 others. The success of the new product led to the opening of the Bulgari Parfums perfume factory in Neuchâtel, Switzerland.

In 1995 Bulgari was listed on the Milan stock exchange. Between 1997 and 2003, the company increased its profits by 150% and external investors came to own almost 45% of its shares. The rest stayed in the possession of the founding family.

In 2001 Bulgari forged an alliance with Marriott International to start a new hotel chain: Bulgari Hotels & Resorts. The first hotel opened in Milan in 2004 and the second in Bali in 2006.

In 2011 after more than 125 years of history imbued with the family style, the French fashion group LVMH Moët Hennessy Louis Vuitton S.A. announced that it was purchasing Bulgari for €4.3 billion. Through this transaction, the Bulgari family sold its majority package of company shares but at the same time became the second-largest family shareholder in LVMH Moët Hennessy Louis Vuitton S.A.

Francesco Trapani, the CEO of Bulgari, became a member of the LVMH Board to oversee the watches and jewelry division. Likewise, the Bulgari family kept their right to appoint two representatives to the group's Board of Directors. On the other hand, Paolo and Nicola Bulgari continued as the president and vice president of the group, respectively, thus maintaining the company's family tradition.

Today Bulgari is present in 24 countries through 41 companies, which have more than 3,000 employees. Of the almost 300 stores that the group operates, more than half are owned by the company. Today Bulgari is a diversified brand with a product range that encompasses all kinds of luxury goods. Its main source of income is jewelry and watches.

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Luigi Lavazza. 1895

The Italian company Lavazza was founded in 1895 when Luigi Lavazza (1859–1949) opened a grocery store in the center of Turin, Piedmont, which bore his name, where he sold soap, alcohol, oil, spices and coffee that he processed himself. Lavazza was an innovator and his interests led him to study chemistry, which helped his company become the leader in the Italian coffee market. In fact, Luigi was the first to create coffee blends in order to sell a more exclusive product.

On the eve of the Great War, the company was already quite large, and it had purchased land to build new headquarters. All the plans were paralyzed by the armed conflict, and the family was forced to focus on specialization as a means of surviving. Oil, sugar and roasted coffee became the hallmarks of the brand. After the war was over, the family purchased new machines to roast coffee in order to increase production. In 1932 the company was able to offer its product prepackaged, leading to improvements in transport and conservation.

In 1926 the company established Luigi Lavazza as an unregistered company. One year later, Luigi Lavazza S.p.A. was created with capital of 1,500,000 lira, and the next generation soon took over; in 1933 Luigi Lavazza transferred his shares to his sons Pericle, Mario and Beppe. Beppe took over the presidency and the three brothers divided the management tasks until Mario sold his shares to his brothers in 1957 after a squabble over the company's expansion policy. Beppe remained in the presidency until his death in 1971, when his brother Pericle took over.

World War II marked a turning point for the company. Even though Italy entered the war in 1940, the problems began before that, when Mussolini

blocked coffee exports, which became even more difficult during the conflict. The family once again took refuge in the strategy of specialization, as they had during World War I.

When the war ended, the Lavazza brothers rebuilt the factory on Corso Giulio Cesare, which had been seriously damaged by air raids, and they again centered their efforts on specialization and excellence. They expanded their product range, and under the instructions of Emilio (Beppe's son), who had joined the company in 1957, the sales strategy was expanded; the first brand logo was created, which was added to the packaging, as well as the first slogan in 1950 (*"Caffè Lavazza, paradiso in tazza"*).

This strategy helped the company's expansion, which was further driven by a rise in demand. Thus, the company's capital doubled, subsidiaries were opened in other locations around the country, and new factories were built, including the factory in Corso Novara – the current corporate headquarters and executive offices – which opened in 1957, and the plant in Turin, which opened in 1965. As a result, there was a considerable increase in the production volume, which allowed for the launch of new products and formats: canned vacuum-packed coffee (Café Paulista) in 1958, decaffeinated coffee (LavazzaDek) in 1962, and vacuum-packed bags in the common 200-gram size and new blends (QualitàRossa and QualitàBlu) in 1969. All of these launches were accompanied by meticulously planned advertising campaigns created by major Italian studios.

The company dealt with the deteriorating economy in the 1970s by restructuring, pushing exports and advertising. In 1979 sales rallied and the company opened the Luigi Lavazza Centre for Studies and Research into Coffee in order to encourage training and communication. That same year, the third generation took over the company; Emilio Lavazza was appointed president, and his cousin Alberto, who had joined the company in 1962, was appointed vice president. The fourth generation entered the company in 1991 represented by Giuseppe, Emilio's son, who was joined six years later by Antonella, Alberto's daughter.

The international expansion policy undertaken in the 1980s was reflected in the opening of subsidiaries: in France (1982), Germany (1987), the United States (1988), Austria (1988), the United Kingdom (1990), Spain

(1997), Portugal (2001) and Brazil (2005). In turn, the restructuring took effect through the reorganization of divisions in 1989: vending, food, hotels, restaurants and catering, created around the new Espresso Point Lavazza system, a single-cup capsule machine. This system was improved in subsequent years with the launch of Lavazza BLUE. Other measures included the opening of the café/restaurant San Tommaso 10 at the company headquarters, as well as the acquisition of the Spanish coffee shop chain Il Caffè di Roma to expand in the Iberian peninsula.

In the final years of the 20th century, the company prepared to welcome the euro by adapting its policies in each business line, which gave them greater flexibility, and improving internal training programs by opening training centers abroad. Today, these centers make up a network of some 50 sites scattered all over the world, where around 30,000 people per year – customers, journalists, consumer motivators – can learn how to make an espresso and receive all sorts of information on coffee.

To consolidate its position in the market in the new century, the company launched its first pan-European advertising campaigns and added new launches, thus rounding out its range of products. It also chose to diversify and expand through acquisitions. In 2007 the company bought the Indian companies Barista and Fresh&Honest Café Limited; in 2008 it bought the Brazilian companies Café Grão Nobre Ltda and Terra Brasil, the leaders in coffee distribution for offices; and in 2010 it bought the Bulgarian café chain Onda Coffee Break, the Argentinian vending company Cofice and the Italian company Erom S.p.A, the leader in chocolate drinks and ice cream. That same year, Lavazza acquired a significant number of shares in the U.S. company Green Mountain Coffee Roasters. The company also began to focus on corporate social responsibility in the 21st century. To that end, Lavazza enhanced its participation in coffee-producing communities (Peru, Honduras, Colombia, Tanzania, etc.) by launching a coffee called ¡Tierra!, in addition to other initiatives and foundations (Giuseppe and Pericle Lavazza Foundation) aimed at improving living conditions and protecting the environment. In 2010 the Lavazza Innovation Center was opened in Turin, which houses a training center, in addition to the design, R&D and engineering departments.

In 2001 new descendants of Luigi Lavazza from the fourth generation joined the company: Francesca, Emilio's daughter, and Marco, Alberto's son.

Today the company is present in more than 90 countries through subsidiaries and direct suppliers, and it employs around 3,800 people. It has four production plants in Italy and one in India, and it is the leader in the Italian market, where it is estimated to have 48% of the total market share. The Board of Directors includes five members from the founding family and is presided over by Alberto Lavazza. In 2011 the company had profits of €1.2 billion, and its owners estimate that 17 billion cups of Lavazza coffee are consumed annually around the world.

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Fiat. 1899

The Società Anonima Fabbrica Italiana di Automobili Torino (Fiat) was founded on July 11, 1899 by the Italian Giovanni Agnelli and his partner Emanuele Cacherano di Bricherasio. Shortly thereafter, it was listed on the stock market and began to manufacture goods vehicles. In 1900 it opened the Fiat Corso Dante factory in Turin, Piedmont, the company's first production plant, where it also established its headquarters. Two years later, Agnelli was appointed general manager. The Fiat 4HP was the first automobile model produced by the factory.

During the 1900s, Fiat began to diversify its production. In addition to launching new car models, the Italian company also began to manufacture trucks, buses, boat engines and even streetcars. Because of its experience in building engines for racing cars, it also took its first few steps in manufacturing engines for aviation.

During World War I, Fiat's production centered on providing military support. Almost its entire production capacity was restricted to manufacturing military trucks and airplanes. After the war, the company moved its corporate headquarters to the new plant in Lingotto and continued to diversify its portfolio of products. After totally updating its range of engines, Fiat introduced new car models that featured a notable change in look. Furthermore, in 1922 it began to manufacture the first civilian airplanes and created Grandi Motori, a new subsidiary focused on building marine propulsion engines.

During the 1930s, Fiat consolidated its manufacturing processes and began its international expansion in France, Spain, Poland and the Soviet Union. In the meantime in Italy, construction began on the Mirafiori factory, which opened in 1939 and signaled a step forward in the way work was

organized. At this point, Fiat had become one of the most important automobile groups in Italy due to its many accomplishments in mechanical engineering. For example, in 1934 Francesco Agello reached the speed of 709.209 km/h in a hydroplane with a Fiat engine, a total world record that has not yet been beaten. Years later, in 1940, a Fiat locomotive exceeded 160 km/h, a world record for diesel engines.

With the onset of World War II, Fiat once again had to channel its manufacturing towards the war effort. Just like during World War I, automobile production was curtailed in order to resume the manufacture of military trucks, armored vehicles, airplanes and marine propulsion engines. After Giovanni Agnelli died in 1945, Vittorio Valletta took over management of the company. With Valletta as president, Fiat embarked upon a new era, marked by the boom in the Italian automobile industry. In the 1950s, the company expanded its staff considerably until it reached more than 10,000 employees, and it once again boosted and diversified its production. By the end of this decade, Fiat products included cars, tractors, engines for ocean liners, jet planes and new automobile models, including the popular Fiat 600, the first model with rear-wheel drive. The 1950s also witnessed the creation of the Spanish company Seat, founded in 1950, in which Fiat owned a 7% participation. Until 1981, Seat manufactured Fiat models in Spain under its own commercial brand name.

While the 1950s was a good time for the company, with the arrival of the 1960s Fiat's production volume reached extraordinary figures. The group manufactured around 1.7 million cars per year, 65,000 trucks, 50,000 tractors and 6,000 bulldozers. During those years, the company strove to reinforce its presence in the automobile sector by acquiring several competitors, including Lancia (1967) and Ferrari (1968), in which it became a majority shareholder. It also took the first steps toward vertical integration with the acquisition of Magneti Marelli, a car components manufacturer. In 1967 there was a new change in the company's management; after the death of Vittorio Valletta, Giovanni Agnelli, grandson of the founder, took over as president of the company.

The 1970s were characterized by significant growth in the local market. Fiat invested in Southern Italy and built numerous manufacturing plants, such

as the ones in Termini, Imerese, Cassino, Vasto and Bari. It also designed an innovative assembly system called Robogate, resulting from the group's determination to automate the manufacturing processes. Robogate is a flexible, totally robotic system which is used to manufacture car bodies. In 1978 it began operating the plants in Rivalta and Cassino for the first time, which allowed the company to consistently manufacture 800 car bodies per day.

During this same period, and under the initiative of Giovanni Agnelli, Fiat began to decentralize its activities in order to become a large industrial holding with new subsidiaries, such as Fiat Macchine Movimento Terra, which manufactures and commercializes vehicles for construction; Fiat Engineering, a civil engineering company; and Iveco, a manufacturer of trucks, buses, commercial vehicles and military transportation. By the late 1970s, Fiat had become a conglomerate of companies that encompassed a wide range of brands, including Fiat, Lancia, Autobianchi, Abarth and Ferrari, and which had a solid present in both the Italian and international markets. Its new plants in Yugoslavia, the Soviet Union, Poland, Bulgaria and Romania led to a new surge in production and increased Fiat's presence in Eastern European markets.

The last two decades of the 20th century saw profound changes in the world of industry. The development of electronics, the advent of new materials for use in manufacturing automobiles and a greater concern for the environment forced Fiat to adapt to the new market trends. The company responded with the launch of the first electric cars and by developing innovative projects, such as the "Fare" project to recycle cars being sent to the scrap yard, and the "Autonomy" project, to improve mobility among disabled persons. The group also continued its acquisition plans and added the automobile companies Alfa Romeo (1986) and Maserati (1993) to its portfolio. On the other hand, rising international competition required it to update its processes, develop new products and seek markets with greater potential, including Brazil, Argentina, Serbia, Turkey, China and Japan, where new manufacturing plants were built.

With the arrival of the 21st century, Fiat dropped its diversification strategy in order to focus on the group's core business – the automobile division – which was threatened by increasing competition from Japanese

and South Korean brands. The company thus divested itself of some of its subsidiaries, such as FiatAvio and Fiat Engineering, and at the same time all of its automobile brands launched new models onto the market. Furthermore, as part of the strategy to reinforce its presence in international markets, in 2000 Fiat signed a strategic alliance with General Motors through which both companies aspired to greater synergies in new product development. That year, General Motors was the leading car manufacturer in the world. Together with Fiat, the two companies had a manufacturing capacity of 11 million vehicles per year. As part of this agreement, which only lasted five years, the two companies exchanged shares. General Motors owned 20% of the shares in Fiat Auto, while the Italian manufacturer acquired 5.01% of the shares in GM, making it GM's largest shareholder. The Chrysler LLC group was another of the automobile firms in which the Italian company was interested. In 2009 both companies signed an alliance, through which Fiat came to own 20% of shares in the U.S. company. As of July 2013, Fiat owned 68.49% of Chrysler's capital.

In 2003 after almost 50 years at the helm of the group, Giovanni Agnelli died and his brother Umberto took over the presidency of Fiat for just one year. He was succeeded by Luca Cordero until 2010, when the next generation took over. Since then, John Elkann has been the chairman of the group.

On September 16, 2010, the shareholders' meeting approved the plans to partly split off the industrial activities of Fiat S.p.A. and to create a new group led by Fiat Industrial S.p.A. From then on, Fiat S.p.A. became a primarily automotive group, which encompasses the subsidiaries FGA, Maserati, Magnelli Marelli, Teksid, Coman and FPT. In turn, the new Fiat Industrial S.p.A. encompasses all of Fiat's industrial activities as an independent group.

Today Fiat is one of the largest industrial and automotive groups in Europe. It has won the Car of the Year award 12 times, the most prestigious recognition in the automobile industry worldwide. Fiat is also known for its environmental focus, its innovative efforts and the quality of its products. It has a solid international presence, with subsidiaries and manufacturing plants scattered all over the world, especially in the Americas and Europe. In 2012 the company earned more than €35.5 billion.

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Arnoldo Mondadori Editore. 1907

Arnoldo Mondadori Editore S.p.A. – usually called Mondadori and controlled by Silvio Berlusconi's Fininvest business group since 1991 – began operating in 1907 in Ostiglia, a town in Italy's Lombardy region, some 30 kilometers from Mantua. That year Arnoldo Mondadori, a young 18-year-old who was working as a helper at a printing press, began publishing *Luce!*, a modest popular newspaper which sought to spread propaganda on the socialist movement to which he belonged. Shortly thereafter, he bought the workshop where he worked, and with the help of his parents he began to expand the business. In 1912 he published his first book, an anthology of children's stories compiled by his business partner and future brother-in-law. Soon thereafter he published other educational books, such as textbooks and grammar books. During World War I, and with the support of the government, his activities centered on printing propagandistic publications targeted at soldiers fighting on the front lines.

After the war, Arnoldo Mondadori moved the headquarters of his company to Milan, merged with a publishing house from Verona, released a new book collection and bought a Roman textbook publisher. In 1921 he forged an association with a textile industrialist who provided him with easy access to bank credit and contact with prominent fascists.

That same year, he purchased the rights for the Italian edition of a U.K. children's encyclopedia from another Italian publisher. The work was published in installments and was a commercial hit. In this publication – as in all of Arnoldo Mondadori's subsequent publications – particular care was taken with the quality of the illustrations and graphics, the design and the aesthetics of the typography.

In 1921 Mondadori also released a collection of novels for which he had hired famous authors in order to ensure that the first edition was a success. In 1926 after negotiating for five years, he signed an agreement with the writer Gabriele d'Annunzio to publish his complete works, a collection that was completed in 1935 and brought him cultural and political prestige. At that time, in order to increase the diffusion of his schoolbooks, Mondadori was interested in establishing good relations with the government of *Il Duce*, Benito Mussolini (1922–1943), two of whose official biographies he published. Over time, Mondadori managed to secure a virtual monopoly on children's textbooks, while he also diversified products by creating new collections: beginning in 1929 crime novels; then romance novels and translations of great foreign works. In 1935 he bought the Italian publishing rights for the instalments and cartoons by Walt Disney, beginning with Mickey Mouse (called Topolino in Italian). Some time later the company began publishing the women's magazine *Grazie*, and the illustrated weekly *Tempo*, which was overseen by Alberto (1914–1976), Arnoldo's oldest son, and inspired by *Life* magazine.

After Mussolini's fall in 1943, the Mondadori family moved to Switzerland, and they returned in the fall of 1945 without suffering from any of the purges. During the postwar years, Arnoldo decided to exit the textbook market. He appointed his son Alberto as managing editor and his other son, Giorgio (1917–2009), as technical director, and continued to expand the catalog of titles. In 1948 the Modern Library collection began, with meticulously edited books at very affordable prices; two years later the weekly *Epoca* appeared, which was followed by publications like *Casa Viva*, *Auto Oggi* and many others. In 1954 he began putting together a chain of bookstores, and in 1960 he created a mail order bookselling club.

Arnoldo died in 1971. Six years earlier, he had handed over the chairmanship to his son Giorgio, staying on as the honorary chairman; he had also appointed his son-in-law Mario Formenton (his daughter Cristina's husband) and his oldest son Alberto as the vice presidents. The latter refused the second-tier job, left the family company and devoted himself full-time to the publishing house Il Saggiatore, which was acquired by Mondadori in 1986.

Under Giorgio's leadership, the group launched new magazines. In 1975 it put up 50% of the capital for a new company in partnership with the Espresso publishing group to publish *La Repubblica*, Mondadori's first foray into daily newspapers. A few months later, in April 1976, Laura and Cristina, Arnoldo's two daughters, forced Giorgio out as chairman. He sold his shares and founded Editoriale Giorgio Mondadori, a business which saw immediate success. He sold the company when he turned 80 years old, 10 years before he died in 2009.

From 1976 until his death in 1987, the chairman of the company was Mario Formenton. Since 1962, he had been in charge of modernizing and expanding the printing press in Verona, which began working for third parties as well. In 1964 he had launched the publication of illustrated books in translation to be exported internationally. Under his leadership, Mondadori launched 19 new periodical publications and attained a 46% share in the Italian market. When television channels were liberalized in 1981, Mondadori – with 64% of share capital – and two other minority shareholders set up the chain called Rete 4, which had 23 broadcasters scattered around the country. The financial results were poor, however, and in 1984 this business was sold to impresario Silvio Berlusconi's Fininvest group.

In the 1980s, Mondadori also devised a shareholder structure that allowed the family to retain control over the publishing group while also securing external financing. Arnoldo Mondadori Editore S.p.A. was listed on the stock exchange in 1982; the family still owned more than 50% of the shares. Three years later Ame Finanziaria was launched, a holding company which grouped together the family members' shares. It was listed on the stock market in 1987.

Between 1988 and 1991, the businessmen Carlo de Benedetti, through his company Compagnie Industriali Riunite (Cir), and Silvio Berlusconi (Fininvest) waged a battle to control Ame Finanziaria. Benedetti initially bought 25.51% of the shares. He later reached an agreement with certain members of the Mondadori family to buy a package that would give him 50% of the company. The agreement was contested by Berlusconi, and both parties agreed to subject the dispute to arbitration. In 1990 the court system decided in favor of Berlusconi. One year later, the judged declared

the Benedetti-Formenton pact illegal, which allowed Fininvest (Berlusconi) to take control of Mondadori.

More than 15 years later, it came to light that Berlusconi's lawyer had bribed the judge, who was later sentenced. For Berlusconi, however, the statute of limitations had run out. The prosecutor in charge of the case asked Fininvest to compensate Benedetti's Cir with €564 million. The payment was made on the July 26, 2013.

After taking over Mondadori in 1991, Berlusconi offered the chairmanship to Leonardo Mondadori, Arnoldo's grandson, who had been named future president by his grandfather. Leonardo, the vice president of the family company between 1982 and 1991, had left his managerial functions in 1988 to launch a publishing house under his own name. The bestseller during his chairmanship was *Crossing the Threshold of Hope* by John Paul II, which was released in 1994. In 2001 Mondadori created a joint venture with 50% shares with Random House (owned by the German Bertelsmann group).

Leonardo died of cancer in December 2002. In April he had published the book *Conversione* with Mondadori, where he recounted his rediscovery of the Catholic religion, and it was another bestseller in its segment.

He was replaced as president of Mondadori by Marina Berlusconi, the daughter of the owner of Fininvest. In 2005 Mondadori entered the radio industry by purchasing the largest Italian radio station. The following year, it acquired a French magazine group. In 2008 it sold its printing presses and in 2010 it began to commercialize e-books. The group ended 2012 with a turnover of €1.46 billion; at that time it had 3,700 employees and controlled over 50 companies.

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Portugal

Espírito Santo Financial Group. 1869

The Espírito Santo Financial Group got its start in Lisbon in 1869 when José Maria do Espírito Santo e Silva founded the Caza de Câmbio. The Caza de Câmbio was specialized in performing transactions on both domestic and international negotiable instruments, and it also resold the Spanish lottery. Eleven years after it was founded, it opened a branch in Lisbon.

Until his death in 1915, José Maria do Espírito Santo e Silva continued to create new banking institutions both individually and in corporations, but he always remained the majority partner. When he died, his children and former partners dissolved the former companies and founded the Banco Espírito Santo Silva & Cia, which was managed by his eldest son, José Ribeiro Espírito Santo e Silva.

In 1920 the bank became a public limited company and adopted the name Banco Espírito Santo (BES). In 1932 Ricardo Espírito Santo e Silva, José Ribeiro's brother, took over as the new head of the institution. Despite the poor economic situation and the political upheaval of the time, the institution solidified its position during the 1920s and 1930s to become the leading private bank in Portugal. In 1920 the bank opened its first agency in Torres Vedras, a town located less than 50 kilometers from Lisbon, and one year later it opened its first branch in Oporto. By 1937 it had 13 new offices. This extraordinary expansion in the local market was favored by a shift in the bank's management model as well as the growth of Portugal's economy in the late 1930s. In 1937 Banco Espírito Santo merged with Banco Comercial de Lisboa, which had been founded in 1875, giving rise to the new institution called Banco Espírito Santo e Comercial de Lisboa (BESCL); in the following years, it consolidated its undisputed leadership position in the local market.

After the Portuguese Revolution of 1974, banks and insurance companies were nationalized and any possibility of operating in Portugal vanished. Thus, the company was forced to reorient and nurture its interests abroad, which were concentrated primarily in Brazil, Switzerland, France and the United States. One year later, Espírito Santo International Holding was created, headquartered in Luxembourg. In 1984 this company gave rise to a new financial holding, the Espírito Santo Financial Group, which is currently presided over by Ricardo Espírito Santo Silva Salgado. Its international activity during this period also led to the founding of new banks, such as the Banco Inter-Unido of Angola in 1973, along with the acquisition of companies in different regions of Portugal.

Its return to financial activity in Portugal took place in 1986, after banking was reopened to the private sector. The Espírito Santo Group, along with the Caisse Nationale du Crédit Agricole and other Portuguese shareholders, formed the Banco Internacional de Crédito (BIC). It also founded the Espírito Santo Sociedade de Investimentos (ESSI), an investment company with shares owned by other foreign financial entities. In the early 1990s, the group regained control over the Companhia de Seguros Tranquilidade and the Banco Espírito Santo through its association with the Caisse Nationale du Crédit Agricole.

With control over the bank restored, the group restructured its Board of Directors. Some executive members from before the nationalization returned to their positions, many of whom belonged to the founding family. Furthermore, the group's administration was modernized and reorganized, which allowed it to improve its customer care and the quality of its services. In parallel, the entity also opened new offices abroad; in 1992 it created a network of 17 offices in the Spanish market, and in 1995 it opened the Banco Espírito Santo do Oriente (BESOR) in Macao. In addition to promoting banking, the group also founded the new insurance companies Companhia de Seguros Tranquilidade Vida and Espírito Santo Seguros.

The turn of the century signaled a new direction for the company's efforts, as it decided to take yet another step forward in its internationalization. The group set out to reinforce its presence in the strategic triangle made up of Brazil, Angola and Spain. It purchased new shares in entities in Libya,

Angola and Mozambique, and it set up a network of offices in Cape Verde. In 2005 it absorbed the Banco Internacional de Crédito (founded in 1986), and one year later it reorganized its insurance division, which was divided into two companies: the Companhia de Seguros Tranquilidade and T-Vida.

The Espírito Santo Group is currently the second largest private financial entity in Portugal in terms of net assets. In 2012 it earned net income valued at €96.1 million and captured 19.6% of the market share. Its activity includes commercial banking, investment banking, venture capital, share management, insurance and specialized credit. The bank is present in more than 20 countries, although its leading markets are Angola, Brazil and Spain. The group is listed on the London and New York stock exchanges, while the Banco Espírito Santo is listed in London and Lisbon. The founder's descendants continue to control the financial institution; Ricardo Espírito Santo Silva Salgado is the current president, and José Manuel Espírito Santo Silva is the vice president.

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Amorim Group. 1870

The origins of Amorim Group date back to 1870, the year in which António Alves de Amorim founded a small cork factory in the Portuguese town of Vila Nova de Gaia. It was a strategic location for the business; renowned Port wine was shipped from the Gaia wharf. The business initiative had capital support from the Belchior family. However, disagreements between the two families led António Alves to move to Santa Maria de Lamas, in the municipality of Feira, where he set up a new workshop to manufacture cork stoppers, this time on his own.

After the move, the Amorims' business began to take off. Proof of this is that, in 1917, the family factory moved to larger facilities in the Cortinha district (Feira/District of Aveiro), where they also introduced more modern machinery. The success of the business was also reflected in the establishment of Amorim & Irmãos, the forerunner of the current company. This company was founded on March 11, 1922, with a share capital of 90,000 escudos. The founding partners included nine of the children born to António Alves de Amorim (who died just a few months afterward) and Ana Pinto Alves.

Under the management of the second generation, which brought a great deal of dynamism, Amorim continued to grow, becoming a benchmark company in the cork industry in Northern Portugal. The new uses for cork derivatives to make thermal and acoustic cladding fueled the company's success even further. Around the year 1930, Amorim & Irmãos had 150 workers and it was the largest cork stopper manufacturer in Northern Portugal. It also exported to a large number of markets all over the world, including: Japan, Germany, the United States, France, Brazil, the United Kingdom, Holland, Belgium, Switzerland and Sweden.

Amorim stood out not only because it was a pioneering company in the Portuguese cork industry, but also because of its capacity to handle the complexity of the raw materials markets during the 1920s and 1930s. During that time, several foreign companies were already operating in the Portuguese cork market near Lisbon with the goal of seizing control of the cork sheeting market. Amorim's reaction to this situation was quite characteristic; in order to ensure its supply of cork, and to avoid depending on the large foreign companies, it purchased a small warehouse in Abrantes, a town that was very close to the largest cork tree forest and which sat along the railway line that crossed Portugal from the North to the South. From Abrantes, the company ran up to seven trains per day carrying cork via rail to Feira, supplying not only the Amorim factory but also all the small establishments that manufactured cork stoppers in the same region. This business decision was spot on; Amorim managed to skirt the major difficulties associated with its location in Northern Portugal, namely the lack of proximity to raw materials.

Another of the key strategies that defined the Portuguese group's success was internationalization. Its sound positioning in foreign markets could already be seen back in the 1930s. To access the French market, the most important in the world for cork stoppers, Amorim used a commercial agent headquartered in Paris who had a great deal of experience representing Portuguese wine companies. This representative, José Carvalho da Silva, managed to introduce the cork stoppers that Amorim manufactured into the French market. Additionally, the company drew from the partnership to carve a niche for itself in other Central European markets.

Amorim's international career really took off after 1953, when the third generation took over, represented by José, António, Américo and Joaquim Ferreira de Amorim. After taking over the company management, the four brothers laid out the master plan for the internationalization process, which had two main goals: diversifying production and spearheading the cork commercialization process. To accomplish this, the company launched a horizontal growth process by purchasing companies in several cork sub-sectors and in different countries, including: the Spanish company Samec (1976); the Portuguese companies Inacor (1988) and Raro (1989); the Swedish company Wicanders Group (1989); the German company Carlo

Ed. Meyer, GmbH & Co. (1992); the Belgian company Composite Damping Material, S.A. (1992) and the Chilean company Industria Corchera (1999), among others. The results of the internationalization materialized quickly; by 1986, 85% of the group's sales came from outside Portugal.

In parallel, Amorim vertically integrated its business by adding the manufacturing of granulates and chipboard. A milestone of this integration was the founding of Corticeira Amorim in 1963, which produces cork granulates and chipboard; this allowed the company to use 70% of the waste generated in the manufacture of cork stoppers. Shortly thereafter, the company created Corticeira Amorim Algarve, Lda., which produces chipboard for acoustic and thermal insulation, and it purchased Inacor, Indústria Transformadora de Aglomerados de Cortiça, S.A., which manufactures cork sheeting, among many other products.

Today, the Amorim Group is one of the largest, most enterprising and most dynamic Portuguese multinationals. It is the leading cork stopper manufacturer in the world, with three billion units per year and one-fourth of the market share. In 2012 its consolidated sales reached €534.24 billion. In its focus on diversifying the business, the group has also invested in other industries, including real estate, tourism, financial services, telecommunications and textiles. The company, which is still family-owned, is presided over and controlled by Américo Ferreira de Amorim, one of the wealthiest men in Portugal according to *Forbes* magazine.

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United Kingdom

Hainsworth Cloth. 1783

The Hainsworth Cloth textile company was founded in 1783 by Abimelech Hainsworth, known as "Old Bim." Hainsworth Cloth began as a classic British industrial cloth merchant. The cloth, made with wool that had been previously dyed, was produced by handloom weavers in a manual process that often involved the whole family. Abimelech Hainsworth collected these cloths and transported them by cart to Coloured Cloth Hall, located in Leeds, a city in the north of England.

Despite its modest beginnings, by 1800 Abimelech Hainsworth had saved enough money to buy land in Farsley, Cape Mills, with his brother Joseph. There, an increasing numbers of workers had begun weaving cloth using handlooms.

When Abimelech Hainsworth died in 1836 he was the wealthiest man in the district, and left a considerable inheritance to his three sons and three nephews. However, just four years later five out of his six heirs had died and the business was left in the hands of John Hainsworth Senior and his son Charles; consequently, in 1856, the company took the name John Hainsworth & Sons.

The British textile industry played a key role in the first wave of industrialization. In 1869 John Hainsworth & Sons opened premises to house the new mechanized looms. In 1882 a new mill was purchased (Temperance Mill) and the owners decided to divide responsibility of the company; one of the partners was in charge of Cape Mills, while the founder's grandson, Abimelech Hainsworth (or "Young Bim"), managed Temperance Mill.

Two years after taking charge of Temperance Mill, which had no machinery when he entered, Young Bim had installed 55 looms, as well

as the necessary machinery for producing various product finishes, and in 1889 he started manufacturing worsted fabrics. Encouraged by the prosperity of the textile industry, young Abimelech Hainsworth acquired the land surrounding the mill, where he built new facilities: Spring Valley Mills, which still house the company's main production facilities. In those years the striking scarlet cloth manufactured for the War Department became especially important, although in the late 19th century demand for this type of cloth dropped as more discreet fabrics were chosen to enhance soldiers' protection. The company, in collaboration with Yorkshire College, designed new fabrics and in 1899 started to produce and sell combed wool fabrics known as serge khaki. The famous scarlet cloth is still produced at Spring Valley Mills and is used for the ceremonial uniform of the Queen's Royal Guards.

The outbreak of World War I forced Cape Mills and Temperance Mills to adapt to the increasing demand for uniform fabrics; cheaper and more practical materials were required, such as serge and flannel. During the war years, the Ministry of War required close to 300 million yards of cloth, equivalent to 275 million meters; however, following the end of the war and during the difficult 1920s, cloth manufacturers saw a drop in demand and a growing stock of unsold manufactured goods. At the same time, exports to countries like the United States, Canada, Sweden, Chile, Italy, Belgium and Switzerland were waning, and wages were increasing in comparison with foreign competitors. Following the proposal to reduce salaries in the sector, manufacturers had to face several strikes, which led to even greater losses. In 1922 and in order to save the company from the financial trouble it was in, the two partners changed the company's legal status to make it a limited liability company, with a share capital of £100,000.

During World War II the company came once again under government control and was subject to wool supply rationing, a situation that was not fully liberalized until 1946. In 1942, 91% of production was for the government, while only 6% was for export. Following the war, government demand continued, as did exports, which increased thanks to a favorable exchange rate. In 1953 Hainsworth Cloth manufactured a special fabric for the uniforms worn at Queen Elizabeth II's coronation.

In 1955 almost all of the mill was destroyed in a fire. Despite the severe financial losses incurred, the company was able to recover and to continue to grow in later years thanks to the construction of a new mill with modern, electrically powered facilities. In 1968 Hainsworth faced yet another disaster when the mill suffered severe flooding during a storm.

The growth experienced by the company in later decades was the result of a number of acquisitions aimed at specializing in niche markets such as luxury car upholstery, top-of-the-line blankets and technical fabrics to meet the needs of various industries. To achieve this they invested in new machinery, technology and research, which sustained the company's growth. Another way to survive was entering new markets, and this was carried out by means of several agreements. For example, in 1975 Hainsworth entered an agreement with DuPont to introduce Nomex fire-resistant fabrics into the United Kingdom, among other countries. This business area experienced rapid growth, and the company continues to supply these fabrics to the fire brigade and the military. In this same decade Hainsworth, in collaboration with Hazelgrove Superleague, developed a cloth for pool and snooker tables that became crucial to the business and led the company to acquire its main competitors in the 1990s.

Over the last two decades the company has had to adapt to increased globalization, making several changes and focusing on working closely with its clients to develop new and innovative textile products. In 1999 important changes were introduced in the company's management: on the one hand, two non-executive members joined the Board of Directors; and, on the other, Thomas Hainsworth was appointed CEO, while Roger and Adam Hainsworth became Board members. In 2002 a new family member entered the company management, Rachel Hainsworth. That same year over £1 million was invested in new machinery, R&D and marketing.

Over this period, the company pursued its strategy of acquiring new textile businesses. Acquisitions included Calder Carbonising and Joshua Briggs. In addition, investment in R&D continued, resulting in the registration of numerous patents.

Today, A.W. Hainsworth & Sons Ltd. continues to be managed by the family's seventh generation. Thomas Hainsworth is CEO, Adam Hainsworth

is financial director, and Rachel Hainsworth is quality manager, while the positions of director of sales and marketing and production manager are held by two non-family members, Diane Simpson and Graham Hutton, respectively.

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Boodles. 1798

The origins of this British jewelry firm date back to 18th century Liverpool; however, its association with the current family owners did not take place until a century later. Henry Wainwright, having completed his apprenticeship at his uncle's jewelry shop in Cheltenham, moved to Liverpool around 1880 to work at Kirk & Co., a jewelry shop founded in 1798 and aimed at wealthy customers. In time, Wainwright became a partner in the business. Later, when his business partner died in 1890, Henry Wainwright became the sole shareholder. His sons also entered the business, which was renamed H. Wainwright & Sons.

In 1911 his sons independently acquired the jeweler Boodle & Dunthorne, whose founders had just died leaving little cash but a good selection of jewels, watches and other high quality accessories. The jeweler's premises were transferred to Lord Street, Liverpool, still home to company headquarters today.

During World War II, Boodle & Dunthorne supplied watches and chronometers to the Navy and Air Ministries and manufactured the gold trophies for the Grand National horse race. In 1945 Henry Wainwright and his son Herbert (who worked with him in the business) died within a few weeks of each other. Under these circumstances, Henry's second son, Anthony, who was serving as a captain in Burma (where he had been awarded the silver star military medal), was granted leave to return to manage the family business.

In 1947 Boodle & Dunthorne received the commission to produce the silver tray for the wedding cake of Princess (and later Queen) Elizabeth Windsor and Philip Mountbatten. In 1960 the company opened a shop in

Chester, one in Manchester in 1982, and five years later a further shop in Knightsbridge, London. Anthony Wainwright managed the business until his death in 1992. That same year his sons Michael and Nicholas inherited the company.

Nicholas, who had started working with his father when he left school, was responsible for the business's creative direction. Michael, who had studied accounting and worked at the auditing firm KPMG before joining Boodle & Dunthorne in 1984, was responsible for sales activities.

Both Wainwright brothers decided that it was essential to expand the market so as to attract new clients. In addition to opening new stores, this decision meant hiring more designers (up until then they had contracted out most design work) to define a signature style that would differentiate the company from its competitors.

The Wainwright brothers hired the services of a luxury product consultancy firm, which helped them redesign their packaging and company logo, among other things.

This new direction attracted new clients, among them David Beckham, who bought the engagement ring for his wife Victoria (former Spice Girl) at Boodles. Artists and singers like Madonna, Charlotte Church and Martine McCutcheon have worn Boodles jewelry when attending particularly formal events.

In 2004 the company abandoned its traditional name, Boodle & Dunthorne – which had come to sound old-fashioned – and became simply Boodles. In 2008 the Victoria & Albert Museum (the largest art and design museum in the world) decided to incorporate the Raindance platinum and diamond ring, one of Boodles' best-selling articles, into their permanent collection.

The brothers increased the number of stores with new openings in London: Regent Street (1993), Sloane Street (1997), Savoy Hotel (2010), as well as an outlet in Harrods department store in 1995. Their first opening abroad was in Dublin in 2007.

As their father had done before them, when Michael and Nicholas entered the company management they bought their sister's shares, consistent with a tradition where property belongs to those who manage the

business. In 2013 two other family members were working as senior managers: Jody, Nicholas' son, and James Amos, the son of Nicholas' and Michael's sister.

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Bibby Line Group. 1807

The Bibby Line holding company was founded by John Bibby in 1807 in Liverpool, a coastal city in Northwestern England. Born in 1775 in Ecclestone, Lancashire, John was the fourth of five sons of a farmer. As family resources were insufficient, the young man moved to Liverpool, where he started working with an iron trader who also manufactured chains and anchors for boats. In 1801 he established himself as a shipping agent under the name Bibby & Hall, with a partner by that name; the two eventually went their separate ways in 1807.

In 1805 he married Mary Margaret Mellard, who provided a dowry that enabled him to expand his business. That same year he founded a new company, John Bibby & Co., in which businessman John Highfield was a shareholder until 1821. The new firm began to commission the manufacture of ships for transporting goods and people. John Bibby & Co. was soon noted for the seaworthiness of its ships and the quality of its passenger accommodation. One of its earliest regular lines covered the route between England and Ireland, and they soon increased their routes. When in 1812 the United States declared war on Great Britain and maritime transport became more dangerous, Bibby started traveling to the West Indies, which was a profitable destination due to the risk involved. Two years later, when the United Kingdom recovered trade relations with the Baltic region, Bibby included the northern route among its destinations. Bibby's first ships were sailing ships, but as soon as steam technology developed, the new models were added.

In 1827 John Bibby began to diversify the business by incorporating real estate, iron (and later copper) production and trade into the company's

activities. In 1836 the company owned 18 ships that regularly traveled to Lisbon, the Mediterranean, South and Central America and India. In 1840 John Bibby was murdered. By that time three of his four sons were working under him: James, Joseph Mallord and John Jr., each in a different business area. The fourth brother, Thomas, was an Anglican minister. James took charge of managing the company – now called John Bibby & Sons.

In 1846 John Jr. bought out the iron business from his brothers, making it independent from the shipping line. Joseph Mallord died in 1855, leaving the shipping line fully in the hands of James. During the Crimean War, nearly all the company's ships were requisitioned by the U.K. government.

In 1873 James was 60 years old and his son was only 15; his grown-up nephews worked in other professions. Given these circumstances, the Bibbys sold the shipping line (except for one ship) to one of the company managers, Frederick R. Leyland.

When the new owner changed the company name to his own surname, James and his cousins were indignant. In order to keep the family name in the industry they created Bibby Brothers & Co. Aside from James, the other key protagonist in the story of the company was Arthur Wilson, son of Reverend Thomas (the founder's son). When Burma became a British colony the Bibbys started a regular travel line, which became one of their most profitable lines. In 1891 Bibby Steamship Co. was founded as an operating company dependent on Bibby Brothers & Co. Ltd., and in 1931 it was renamed Bibby Line Ltd.

The shipping company increased its routes and received a notable boost when in 1893 it was included among the companies approved to transport civil servants and military officers between the United Kingdom and its colonies.

James died in 1897 at the age of 84 and his son Frank took over as president of the company. Under Frank's management the quality of the ships increased greatly; for example, Bibby was the first company to incorporate electric ventilation. Every passenger cabin, including the interior ones, had a porthole, which allowed for natural ventilation through a corridor.

When Frank died in 1923, his son Frank Brian became chairman and president. Frank Brian died in 1929 at the age of 36. His position was then

occupied by Arthur Wilson (son of Reverend Thomas) until his death in 1937, at which time the position was filled by his son, Arthur Harold.

As had been the case during World War I, in World War II Bibby Line's 11 ships were requisitioned by the government to transport troops to various war fronts. When Burma declared independence in 1948, to later become Myanmar, the number of passengers declined until, in 1971, they were forced to close the route.

In 1950 a new, fifth-generation family member joined the company as a shareholder; Derek was the son of Arthur Harold, and he would go on to chair the company between 1969 and 1992. Derek realized that the business of transporting passengers was in decline due to increasing competition from air travel. His survival strategy was based on diversification: first, in 1955, he invested in an airline, whose shares he sold in 1960; then Bibby entered the bulk goods transport industry by acquiring a specialized company.

Rising oil prices, as a consequence of the Yom Kippur War in 1973, caused many of Bibby's routes to become unprofitable. The company, which owned 24 ships in 1974, gradually began divesting most of them. The year 1980 saw the greatest tragedy in company history: a typhoon sank one of the Bibby Line ships in the China Seas, causing the death of its 44 crew members.

In 1983 the company began investing in the oil extraction industry. The following year it registered part of its fleet in Hong Kong. This was an important decision that brought to an end the hiring of crew members in Liverpool (from then on, practically all employees were Chinese) as well as officers (whose hiring was subcontracted to specialized agencies). Later, and with the same objective, other ships were registered in the Isle of Man.

A different diversification strategy focused on converting ships into floating accommodation. The company signed one of its first contracts with New York City Hall, which rented ships for five years in order to use them as prisons. Reflecting this change of activity, in 1989 the company became Bibby Line Group Ltd, while Bibby Line Ltd remained as the shipping company. The following year, the company entered the business of ship construction and management for the transport of chemical products. Later on such diverse activities were added to the portfolio as factoring and

other financial services, offshore platform construction and logistics, and management for cemeteries and retail chains.

In 1985 Simon Sherrard was hired as CEO. Sherrard was a non-family-member professional who until then had occupied positions of responsibility in banking institutions. Sherrard became chairman of the Board of Directors in early 2000, when his executive position was occupied by William Bibby, Derek's son, who joined the company in 1992. In early 2013 the family continued to own 88% of company shares.

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James Purdey and Sons. 1814

Part of the Richemont luxury products group since 1994, James Purdey and Sons was founded in London by James Purdey. Born in 1784, at 14 he began working as an apprentice at his brother-in-law's workshop specialized in the manufacture of hunting shotguns. He later worked consecutively at two other gunmakers, and in 1814 he started his own company.

Purdey specialized in manufacturing bespoke shotguns for his customers using premium quality materials and elegant decoration. One of the services he offered his customers was gun maintenance and repair. Whereas in the early days he was able to manufacture 12 shotguns a year, by 1825 he was manufacturing 165. It did not take long for the company to attract customers among the nobility. While this increased the prestige of the firm, it also nearly led to its bankruptcy in 1847 due to the traditional slowness of these buyers in paying the bill. The founder passed on the business to his son James Purdey the Younger in 1858 and died in 1868.

The company gradually incorporated the technical innovations brought about by the Industrial Revolution and, to provide just one example, developed its own trigger lock, which it patented in 1863. In 1878 Queen Victoria, who had already bought some of Purdey's guns, named him as an official purveyor to the royal family, a tradition that has continued uninterrupted. In 1822 the premises moved to South Audley Street, in Mayfair, London, where the company headquarters are still located.

In 1900 James the Younger was replaced as the head of the company by his son Athol, who was helped by his brother Cecil. During World War I, the decrease in private sales was compensated by commissions from the Ministry of Defense. Following World War I, stagnancy in the European

market forced Athol to the United States to promote his products. This marketing campaign secured a number of orders but did not improve overall sales. The company needed an injection of resources and in 1925 preferred stock was acquired by the Oliver family, who shared family ties with the Purdeys. The Olivers sold the stock to Lord Portal and Godfrey Miller-Mundy in 1935. Eight years later they were acquired by Ivan Cobbold, a customer and friend of the Purdeys.

Despite all of these changes in ownership, the business continued to be managed by a member of the Purdey family; when Athol retired in 1929 his sons Jim and Tom took his place, having begun work at the firm nine years before.

During World War II, James Purdey and Sons again supplied the British army with weapons, precision instruments and gauges. In 1942 the U.K. general Bedell Smith, Eisenhower's Chief of Staff, occupied the office known as the Long Room in Audley House in order to plan the invasion of France. Eisenhower himself attended some of those meetings. In June 1944, a short time after D-day, Ivan Cobbold, the owner of James Purdey and Sons, died as the result of a German air raid in London.

The postwar period brought new challenges to the famous U.K. gunmakers. Substantial tax increases implemented by the Labour government greatly impacted the company, whose customers were among the wealthiest and most affected by the new tax legislation. Company shares, which had again returned to Purdey ownership, were sold in 1946 by Jim and Tom to Victor Seely and his brother Hugh Seely, Lord Sherwood. Three years later the Seelys ceded the company to their nephew Richard Beaumont.

Tom Purdey continued to manage the business until 1955, when the owner decided to take over, and Lord Sherwood became chairman. Thanks to the initiative of Richard Beaumont's wife, Lavinia, a store was opened next to the gunmakers' premises selling high quality clothing for hunters, which she designed. This idea, a first in the industry, was a great success.

Beaumont had no children, but he convinced his cousin Nigel to join the company in 1977. Nigel began as an apprentice in the workshop and took over general management in 1993. Around that time Richard Beaumont suffered from a severe heart condition and sold James Purdey

and Sons to Vendôme, the company that owned luxury brands like Cartier, Alfred Dunhill and Montblanc. Vendôme is a subsidiary of the Richemont group, with headquarters in Switzerland. It belongs to the Ruperts, a South African family.

In 1995 the new owner encouraged Richard Purdey, a sixth generation family member, to join the company. He became the chairman of the Board of Directors. When he retired in 2007, Nigel Beaumont took over his position as chair.

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Swire Group. 1816

The Swire Group was created in 1816 when John Swire founded a trading company in Liverpool. The business developed into a successful import-export company centered mainly on the textile industry. Nearly two centuries later it has become a group with real estate, aviation, commercial and industrial interests, among others. The family's second generation, John Samuel and William Hudson Swire, the founder's sons, joined the business when they came of age and were responsible for the company's international expansion.

In 1855 they opened a branch office in Melbourne: Swire Bros. This new location marked the beginning of increasing trade relations with countries in Asia and Oceania. A few years later, in 1866, the Swire brothers opened a new office in Shanghai: Butterfield & Swire. This office also took the Chinese name Taikoo, which is how the Swire Group is known today in Asia. Taikoo began trading in tea and silk and importing British cotton and wool goods. It went on to act as an agent for many U.K. firms in China, most notably large insurance and shipping companies.

In 1872, six years after entering the Chinese market, Swire founded The China Navigation Company, CNCo. This new company used steam ships along the Yangtze river to facilitate connections with inland China, which was not easily accessible by land. Some time later the shipping company began operating along the Chinese coast, and in later years it extended its operations to Japan, Southeast Asia and Australia. Increasing trade generated by CNCo drove the company to take on new projects such as the construction of a sugar refinery (Taikoo Sugar) and the opening of a shipyard in Hong Kong (Taikoo Dockyard). The refinery, which began operating in

1883, used sugar cane from Java and the Philippines and exported to the Chinese and Japanese markets. Taikoo Dockyard, which opened its gates in 1907, was created to support the growing Swire fleet and, at one point, it became one of Hong Kong's primary employers.

In the decades leading up to World War II the company experienced considerable growth led by John and Warren Swire, the sons of John Samuel Swire and the family's third generation. While the company was under their management, new projects were carried out such as the establishment in 1934 of a paint manufacturing company in Shanghai (Orient Paint & Varnish).

World War II dealt Swire a severe blow that led the company to the brink of destruction. The sugar refinery and the shipyard were destroyed, and many of its ships and properties were confiscated or demolished. Following the war, the company attempted to re-establish activity along its main business lines; by 1950 the refinery and the shipyard were fully functioning again, and the paint manufacturing business, renamed Swire Duro, was transferred to Hong Kong, where it continued its operations. However, increasing restrictions on international trade, as well as the Yangtze river being closed to foreign shipping navigation from 1942, led the company to gradually give up trade with inland China, and even more so following the 1949 Revolution.

In 1946 John Kidston Swire was appointed company chairman. In an effort to enter the transport sector, he used the engineering knowledge developed at Taikoo Dockyard to launch Pacific Air Maintenance Services (Pamas), which provided aircraft maintenance services at Hong Kong's Kai Tak airport. This company merged with its main rival in 1950, and together they formed Hong Kong Aircraft Engineering Company (Haeco), which is still the leading company in the market today. In 1948 the group acquired Cathay Pacific Airways, founded in 1946 and comprising a fleet of six airplanes. Swire also strengthened its presence in Australia during this period; it diversified its activities in this country, investing in a refrigerated transport firm.

The move toward diversification intensified in later decades and the company's development was marked by the acquisition in 1965 of Hong Kong

Bottlers Federal Inc., the company holding the Coca-Cola bottling franchise in Hong Kong. This company was renamed Swire Bottlers in 1974 and is currently one of the largest Coca-Cola bottling companies in Asia and the United States. In 1972 the group entered a new sector, real estate, with the foundation of Swire Properties. The new company developed and managed a large number of real estate projects, as well as reforming Taikoo Sugar and Taikoo Dockyard. Both of the latter also underwent changes; the refinery focused on sugar derivatives and packaging, while the dockyards partnered with other competitors to form Hong Kong United Dockyards, located in the Hong Kong container terminal.

In the 1980s the Swire Group strengthened the industries and markets in which it operated; among others, it promoted the cold storage segment in Australia, which it also extended to the United States. The company restored its operations in inland China thanks to a partnership with China International Trust & Investment Corporation (Citic). Its turnover in China grew considerably as a result. In addition to opening aviation engineering facilities in Xiamen, Swire extended its paint manufacturing division into inland China. Likewise, this decade was marked by the internationalization of Cathay Pacific Airways, which has offered direct flights to London since 1981.

In recent years the group has continued to grow through mergers and acquisitions. James Finlay, a Swire partner since 1976 and the largest tea trader in the world, became part of the group in 2000 and Steamships Trading, Papua New Guinea's largest trading group, also joined the corporation. In Australia, Swire continued its expansion in the cold storage market, forming a new company in 2004, Swire Cold Storage. It also diversified its activity in this country by acquiring majority shares in Alex Fraser, a leader in construction and demolition residue recycling. Regarding its business in China, it continued to grow both in the real estate and hotel sectors as well as in aviation; Cathay Pacific became a strategic partner of Air China, a company in which it owns a considerable share, while the Haeco group continued its geographic expansion.

The Swire Group currently employs roughly 121,600 people worldwide. It comprises eight companies, organized mainly by country, which in turn group together other subsidiaries of the business conglomerate according

to their activity. The Swire family members continue to be involved in the group, whose honorary presidents belong to the family's fifth generation.

The main sectors in which Swire operates are real estate, aviation, agribusiness, food chain, marine services, trade and industry. The aviation division and, specifically, Cathay Pacific Airways, yielded the group its largest turnover in 2011 (\$12.62 billion), followed by Swire Pacific, a subsidiary with headquarters in Hong Kong (\$4.65 billion).

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Schroders. 1818

Schroders asset management company was founded in London in 1818 by Johann Heinrich Schröder. A few years earlier his father, the Mayor of Hamburg and a wine merchant, had sent his three sons abroad to make contacts and establish connections with potential customers and suppliers. One son went to Riga, Latvia. The other two went to London: Johann Friedrich and Johann Heinrich, four years younger than his brother.

Johann Friedrich arrived in the United Kingdom in 1800, where he started a financial business called J.F. Schröder. He was joined by Johann Heinrich, who arrived on the island in 1804 from Hamburg.

In 1818 Johann Heinrich established his own company independently under the name of J. Henry Schröder & Co. Soon the company that had started in London as a support for the wine merchant business became larger than the business in Hamburg.

Johann Heinrich was succeeded as the head of the company by his eldest son, John Henry, in 1849. He carried out the company's first international transaction in 1853: an issuance of bonds launched by Cuban sugar traders to finance the railroad on the Caribbean island, which Schröders placed in the United Kingdom. Ten years later, during the U.S. Civil War, the British company issued bonds on behalf of the rebel Confederate states. In 1869 the Peruvian government appointed Schröders as its agent for selling guano, which was used as a fertilizer. The following year, the British financial company arranged a loan for the Japanese government to finance a railroad line.

In 1895 Baron Bruno Schröder, one of John Henry's nephew's born in Hamburg, joined the bank. When John Henry died in 1910, Bruno inherited the company and took his place as the top executive. During World War I, the

government considered confiscating the bank on the basis that it belonged to a hostile power. Thanks to the mediation of King George V, U.K. citizenship was granted to the Schröder family, who changed their surname to Schroder; the company name was also changed accordingly in 1957.

In 1923 the bank set up a branch in New York, which had replaced London as the new financial center after World War I. This company was called J. Henry Schroder Banking Corporation and was commonly known as Schrobanco. Three years later the British firm began operating as an investment bank.

In 1940 Bruno Schroder died and the business was inherited by his son Helmut, a member of the family's fourth generation. In 1959 J. Henry Schroder listed part of his shares on the stock exchange because, due to Helmut's deteriorating health, the family felt it was necessary to sell certain assets to cover possible tax charges arising from the inheritance. From that point forward, the family has always kept ownership of about 47% of shares. Helmut held his position as chairman of the Board of Directors until 1965.

The fifth generation of the family was represented by Bruno Lionel Schroder (Helmut's son) and George Mallinckrodt, who joined the company in 1954; he married Bruno's sister four years later and acted as chairman from 1984 to 1995.

From the 1960s onward, the bank has had a presence in the world's most important financial markets (Hong Kong, Japan, Singapore, Australia and Brazil, for example) via its branch offices or in partnership with local firms. Schroders also adopted a policy of acquiring total or partial shares in well-established financial firms; the first acquisition was British stockbroker Helbert, Wagg & Co. in 1962. In 1986 Schroders bought 50% (extended to 100% in 1994) of the New York investment bank Wertheim & Co. At the same time they sold Schrobanco to the Industrial Bank of Japan and in 2000 transferred the investment bank business to Salomon Smith Barney. From then on, the company focused its activity on managing related assets and businesses. Subsequently, Schroders acquired other British companies such as Beaumont, New Finance Capital and RWC Limited Partners; as well as German Aareal, the private client consultancy unit at Commonwealth

Bank of Australia (Singapore), Swiss Re Asset Management (Switzerland) and Axis AMC (India). In 2013 Schroders administered €279.6 billion and employed over 3,000 professionals in 27 countries worldwide.

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C & J Clark. 1825

Known as Clarks, C & J Clark started the first chapter of their business history in 1825 in the village of Street, in Somerset. That year James Clark, who had joined his brother Cyrus in his leather tanning business, had an inspired idea: making leather slippers, which became very popular. In 1842 they were already manufacturing 1,000 pairs a month, which in the early days they subcontracted to local artisans.

In 1851 the Clark brothers won two awards at the Great Exhibition, organized to publicize the achievements of the Industrial Revolution in the United Kingdom. When two years later they were driven to the brink of bankruptcy by a recession, the Clark brothers turned to other members of their faith (the Quaker community), who granted them a loan on the condition that the brothers would step down from the business.

James' youngest son, William, took the company reins. He modernized and revitalized the business, incorporating Singer sewing machines – groundbreaking technology at that time, repaid the loan in full and launched the new 'hygienic' shoe range, which was the first shoe designed to adapt to the shape of the foot.

William's sons and daughter, John, Roger and Alice, followed his footsteps in the business. In the late 19th century John visited South Africa, Australia and New Zealand to promote his business. At the start of the 20th century, when changes in women's fashion meant that ankles were no longer covered, Clarks entered the women's shoe market with an elegant shoe range. The brothers opened more production plants and introduced new technologies and materials. They bought several shoe shop chains to sell their own products and began publicity campaign; their first

advertisement in the press appeared in 1936. During World War II some of their factories were used to produce airplane and torpedo components.

Once the war was over, Clarks focused on expansion. Under the chairmanship of Bancroft Clark, Roger Clark's son (chairman from 1938 to 1942), 15 new factories and dozens of shops were opened. The "desert boot" was introduced in 1950; inspired by a type of comfortable footwear used by British officers stationed in Egypt, it was an immediate commercial success. In the mid-1960s the company launched a new model of children's shoe, which also became very popular.

The growth strategy continued in the late 1970s through an internationalization process that resulted in the acquisition of several shoe manufacturers in the United States. With the purchase of K Shoes in 1981, Clarks became the second-largest shoe family business in the world, after Bata. In the mid-1980s Clarks took a strategic change of direction with the help of a consultancy firm. They hired the first chairman from outside the family: Lawrence Tindale; who restructured the different business units.

In 1988 the approximately 400 family shareholders agreed to list the company on the stock exchange, but the following year they revoked their decision. It was not a good time for the sector – affected by the import of cheaper shoes manufactured in developing countries – or the stock market.

In 1990 Clarks replaced the chairman with another non-family member, Walter Dickson. He had to face discontented shareholders when, two years later, he decided to reduce the dividend value drastically in order to adjust it to decreasing company profits. John Clothier, managing director and Clark family member, managed to avoid being dismissed.

In 1993 the Board of Directors made a proposal to accept a generous acquisition bid launched by a diversified investment group, but it met with the opposition of key family member shareholders. They held 70% of share capital; the remaining 30% was equally shared among employees, pension funds and institutional investors. At the annual shareholders' meeting held in May, the bid was rejected by 52.6% of shareholders; 70% of family shareholders were against the sale.

The family appointed Roger Pedder (married to Bancroft Clark's daughter) as chairman, who created a Board of family shareholders to avoid

future conflicts. He also established the role of CEO and hired a professional for this position, Tom Parker, who was charged with refloating the company; this involved, among other measures, eliminating 1,400 jobs, 10% of their workforce. Parker was followed in the role of CEO by other professionals such as Peter Bollinger (2002–2009) and Melissa Potter.

In 1997 via an operation which was viewed as compensation for shareholders, C & J Clark sold its outlet stores (where their quality products were sold at low prices) in order to provide £53 million in dividends, a measure which also benefited 6,000 employee shareholders. In late 2005, Pedder announced his retirement and was substituted as chairman by Peter Davies, an external executive.

From the 1990s onward, unable to compete with the prices, Clarks began closing its production plants in the United Kingdom and transferring its production to other countries with cheaper labor costs such as Portugal, Brazil, China and India.

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Willmott Dixon. 1852

Willmott Dixon construction company was born in 1852 in Bassingbourn, Cambridgeshire, in the United Kingdom, where John Willmott worked as a bricklayer for a local builder. While he was working at Wimpole Hall, a manor house that belonged to Count Hardwick, he was offered the opportunity to establish himself independently and work on the construction of a new well. This event marked the beginning of a family business that now has over 150 years of history.

After building the well, Willmott did various jobs and repairs at local farms. He was married in 1853 and, some years later, his sons joined the business at an early age, learning the trades of bricklayer and carpenter. Six of his seven sons remained in the construction business and established several offices throughout Britain, which collaborated with their father's company. Thus the family business began to be called John Willmott & Sons.

A few decades later, as the business was starting to flourish, the family moved to Hitchin, a town located 20 km from Bassingbourn. They built several buildings and located the company headquarters there, where it remained for 80 years.

In the early 1890s, most of the Willmotts' business activity was for the Great Northern Railway Company, rebuilding and modernizing railway stations, commissions which continued until the outbreak of World War II. The company enjoyed an excellent reputation for its carpentry work and did a lot of building and refurbishing of interiors for stores, banks and even blocks of buildings. This type of carpentry projects were arranged with the headquarters in Hitchin and later distributed among the different

Willmott brothers' branches, most notably the Hornsey branch, managed by Samuel Willmott. During the inter-war period, in addition to the predominance of building reconstructions, they carried out a large number of oak memorial plaques.

With the start of the century the family's third generation joined the business, most of whom had worked as apprentices in other businesses. The founder, who had retired in 1896, died in 1922. Two years later it was agreed by the family to separate the Hitchin and Hornsey branches, forming two new companies: John Willmott & Sons (Hitchin) Ltd. and John Willmott & Sons (Hornsey) Ltd. The former was led by Walter Willmott (the founder's son), his son Harold Sam Willmott and his nephew William George Willmott.

During World War II, both family businesses dedicated practically all their energies to the war effort, working for the Air Ministry. Once the war ended, they worked mainly on the reconstruction of buildings destroyed by the bombing. During that period the Board of Directors was enlarged and included a woman for the first time, Grace Willmott, as well as several non-family members. Grace, William George Willmott's sister, was company director and secretary until 1949.

In the 1950s and 1960s the company experienced moderate growth, despite financial and legal restrictions. The company entered the path of business diversification and vertical integration, acquiring several civil engineering, plumbing and construction companies. In 1965 the Willmotts also founded a real estate company (John Willmott Development Ltd.), which was active for 10 years and saw very good financial results.

William George Willmott resigned from his position as chairman for the Hitchin-based company in 1957, although he continued to be involved in the family business until his death in 1964. He was replaced by his cousin Harold Sam Willmott, who directed the company until 1966, when he was replaced by his son Peter Willmott. During this period, the CEO position was held by John Budgen, who was external to the family.

In 1969 John Willmott & Sons (Hornsey) Ltd., led by Cecil Willmott (cousin of Harold Sam Willmott) and his son Robin, merged once again with the Hitchin company, from which it had separated in 1924. The resulting company was called John Willmott Construction Ltd., and the

former companies of Hitchin and Hornsey became subsidiaries, covering different geographical regions.

With the 1970s came a period of intense expansion. The all new John Willmott Construction Ltd. undertook several company acquisitions and transferred its corporate headquarters to larger premises. Following the introduction of some changes to its senior management, in 1971 it changed its name to John Willmott Holdings Ltd. and redesigned its corporate structure with the creation of new departments and new independent subsidiaries. Among them, it is worth noting the creation of a subsidiary that brought together the carpentry business and the constitution of John Willmott Maintenance Ltd., providing continuous maintenance services. In 1975 the company once again transferred its headquarters to a new location in Henlow, some 10 kilometers from Hitchin.

In terms of acquisitions, it is worth highlighting the purchase of A.E. Symes Ltd. in 1976, a family business founded in 1892, which was doubly beneficial to the Willmott company; it provided a new and extraordinary source of revenue and helped the family group establish itself in London. With this and other acquisitions, John Willmott Holdings managed to increase its presence in the British market and its turnover increased exponentially. In 1984 the corporate head offices were finally established in London.

The company negotiated the difficulties facing the British economy during the 1980s through corporate restructuring and a renewed drive for diversification of the business. Thanks to acquisitions and strategic alliances the family business ventured into new business areas including: consultancy, the automotive industry, investment banking, insurance, IT services and professional training services. A new company was also formed, independently from the group: John Willmott Estates Ltd., which took charge of the former real estate division under the guidance of Robin Willmott.

In 1987 the company took the name Willmott Dixon Ltd., in recognition of the work of Ian Dixon, CEO of the company since 1970 and the key figure behind its success. Towards the end of this decade, the company redesigned its strategy in order to reinforce its core business group: construction. The company sold some of its subsidiaries at the same time that it expanded its operations by acquiring several well-established construction

companies, such as J Wimpenny & Co Ltd., from Huddersfield, and E. Turner & Sons Ltd., from Cardiff.

In 1989 having strengthened its construction business, the group began its international expansion, starting with the Portuguese market. In this period it established joint ventures with two established Portuguese companies, Lagos and Carvoeiro, and two years later it created its subsidiary William Dixon Construções.

In the 1990s the group restructured once again and organized its business around three companies: Willmott Dixon Construction Ltd., Willmott Dixon Maintenance Ltd. and Willmott Dixon Housing Ltd. Ian Dixon and Peter Willmott retired shortly afterward, opening the door to the Dixon and Willmott families' fifth generation. With Steven Dixon and Rick Willmott leading the business, the group resumed its acquisitions and alliances program once again, seeking to cut back on risks and prepare for the approaching construction sector crisis.

Willmott Dixon is currently a diversified group that operates in various different markets, namely construction, infrastructure maintenance, urban regeneration and consultancy. Led by Rick Willmott, the group is proud of its environmental policy and solid commitment to innovation and social initiatives. In 2012 its turnover exceeded £1 billion. Its current headquarters are located in the Letchworth Garden City complex, 55 kilometers from London.

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J Sainsbury. 1869

The Sainsbury's supermarket chain was founded in 1869 by John James and Mary Ann Sainsbury. The married couple opened their first shop in the London neighborhood of Holborn where they sold milk from Devon farms and what was claimed to be the best butter in London, among other products. John James Sainsbury, who had experience in retail business, proved he had good business vision, which he based on two principles: the strategic location of stores and the quality of the products on offer. This two-fold commitment turned out to be key in the development of the family business, which would become one of the main U.K. supermarket chains.

In its early years, the business was limited to a few stores that were small in size, but very well located on busy London shopping streets. In addition to the inside store space, outside stalls were placed on the street, thus increasing the total surface area dedicated to selling products. Several stores opened by the Sainsburys came from Mary Ann's family, who owned a small retail chain. This allowed them to benefit from an established customer base who were already loyal to their local supplier. The Sainsburys soon introduced several innovations, such as opening specialist stores or being the first to sell a range of own brand products in 1882. With the expansion of their stores to middle-class neighborhoods new services were added, such as home delivery.

In 1899 the family business grew beyond the London area when they opened a store in Redhill, about 30 km from the capital. At the turn of the century, and still enjoying the early days of British economic growth, new stores were opened in the cities of Brighton, Oxford and Eastbourne. After

1914, the business's growth slowed to the pace set by the domestic economy. They had to wait until the 1920s for the business to take off again.

Constituted as a private corporation (J. Sainsbury Ltd.) in 1922 and valued at £1.3 million, the company was led at the time by the family's second generation. John James and Mary Ann Sainsbury had 12 children and their six sons had a key role in the development of the family business. John Benjamin Sainsbury, the eldest son, joined the family business at an early age. In time, he started to take on a range of responsibilities, among them the development of new stores and the maintenance of existing ones. In 1915 he was appointed a company partner and, following the death of his father, he took over as director and executive chairman of the company. The five remaining sons assumed positions of responsibility in each of the different business areas: George, the second son, was made responsible for accounting and logistics; Arthur managed the perishable goods department; Frank supplied the company with eggs and poultry from his own farm; Alfred Sainsbury managed the imported groceries department and Paul, the youngest, led the department dedicated to the development of new buildings. By 1928 the family business had 128 stores located throughout Britain.

During the 1930s Sainsbury's continued to grow organically. The company opened new stores and increased its range of products, maintaining the same principles established by its founder: to guarantee quality produce and take great care in the location and design of its stores. In 1936 the Sainsbury family acquired the Thoroughgoods retail chain. This operation enabled it to increase its presence in the British Midlands, where Thoroughgoods had an established retail network. During World War II the business, and particularly its retail network, suffered severe damage. Many stores had been reduced to rubble and business turnover diminished dramatically. At this time, the third generation of the family had already joined the company. Alan Sainsbury, John Benjamin's son, had worked at the company since 1921 and when his father passed away in 1956 he was appointed chairman.

In the 1950s and 1960s important innovations were introduced, including most notably the introduction of the first self-service stores in the

United Kingdom. Following a trip to the United States, Alan Sainsbury realized the potential for these stores, which were very popular in the United States, and decided to introduce them into his local market. The first self-service store was opened in Croydon, London, in 1950. This change of format made it possible to reduce costs, as the traditional store model involved high personnel costs; however, the full transition to the new business model was not completed until the 1980s. At the same time, the company introduced other novelties in its stores such as new designs and innovations in refrigeration and lighting. The first store to include these developments was opened in 1950. Many more followed, but the full transition to the new format did not occur until 30 years later.

Other innovations followed the introduction of self-service stores; Sainsbury's pioneered computerized distribution systems in 1961 and introduced new sections and types of stores such as bakeries, gas stations and coffee shops in the 1970s. In 1973 the company was listed on the London Stock Exchange. During the last two decades of the 20th century, in line with growing popular concern over the environment, the first organic products were launched, recycling programs were introduced and collaboration agreements were established with several NGOs. During this period, Sainsbury's opened its first hypermarkets and started its international expansion: in 1983 Sainsbury's acquired a share in Shaw's Supermarkets, the second-largest supermarket group in the Northeastern United States; four years later it completed the acquisition. In the late 1990s Sainsbury's began pursuing diversification, venturing into a new business: commercial banking. In 1997 it founded Sainsbury's Bank in association with Bank of Scotland. The bank offers a wide range of financial products, including insurance policies, credit cards, savings accounts and loans. More recently, Sainsbury's has created new business lines such as mobile phone services, real estate and energy.

Sainsbury's is currently the third largest supermarket chain in the United Kingdom, with a market share of over 16%. The firm has a total of 1,016 retail stores, where it employs over 150,000 people. In 2012 its sales grew to reach £25.63 billion. David Sainsbury, a fourth generation family member, stood down as chairman in 1998; he was the last family member to actively

manage the company. At present, the Sainsbury family owns about 15% of share capital. David Tyler is the current group chairman.

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George Bateman and Son. 1874

George Bateman began his business in 1874 in Wainfleet, Lincolnshire, in Eastern England. When he was 27 years old and had already married, this British farmer had problems repaying a loan secured with his land. Seeking help, he came across a beer brewer who was looking to retire. He offered to bring Bateman into the business and teach him the trade. Two years later Bateman owned the company, which at first only sold its product to local farmers. Over time he began buying pubs, and by 1911 he owned 20. Later on he entered the wine and liquor trade and became a local bottler for large companies such as Guinness and Bass.

During World War I George Bateman, like all entrepreneurs in the sector, suffered the consequences of the scarcity of raw materials, price control measures, reduced pub opening hours and the introduction of a quota system for each manufacturer; however, despite these restrictions, he managed to secure a contract to supply army and navy canteens. At that point, his son Harry had already joined the family business. In 1918 Harry acquired a wine and liquor manufacturing company in Boston (Ridlington), which became a subsidiary of George Bateman. In 1919 he bought the business from his father and, with collaboration from his sister Jessie in the company management, he continued to acquire and lease new pubs.

In the 1930s the company purchased or developed hotels in tourist areas; it was a means of expanding on beer consumption. In 1948 the George Bateman company owned 68 pubs and had also bought other small-scale breweries. Harry, who acted as chairman of the East Midlands Brewers Association from 1935 to 1952, died in 1970.

Harry's sons, George and John, took his place at the head of the company. George was responsible for the beer business, while John was in charge of wines and liquors at the Ridlington subsidiary. The beer business continued to grow under George's supervision, mainly through the incorporation of new pubs (either in property or under lease). Harry had ceded 41% of company shares to his eldest son George, 40% to John and 19% to his daughter Helen, who did not work at the company. In 1978 disagreements between the two brothers began to emerge. In the early 1980s they considered separating the two business divisions, and sharing part of the proceeds with Helen.

In 1985 – without notifying George, who was the chairman – John made an agreement with his sister to sell their share of the company, which amounted to 59%. They would transfer the shares to their brother if he was willing to pay the market rate; otherwise they would ask a business bank to sell the shares to a third party. In response, George began what the family would call “the battle for independence” and took up the motto of the British Queen Royal Lancers for his campaign: “Death and glory.”

It seemed an impossible battle to win, but George, with his wife Pat, daughter Jaclyn (who already worked at the company) and son Stuart (who joined in 1987), began gathering support. A significant number of suppliers and clients took their side, in many cases even offering to invest small amounts. The company employees and local residents were aware of the fact that, depending on the buyer, their jobs could be at risk, so they also supported George.

A decisive factor in the conflict was the nomination of their XXXB brand for the best beer of the year award in August 1986 by the Campaign for Real Ale (Camra) organization. The award boosted sales and gave notoriety to George and his family; with the help of a lawyer they managed to convince the banks and other investors to help finance the purchase of shares from the dissident siblings. The “war” ended in 1987. To celebrate their success, the company brought out the Victory Ale brand. In order to meet loan payments they had to sell dozens of pubs.

In 1994 George decided to retain his position as chairman and cede his executive functions as CEO to Haydn Biddle, who had worked at Scottish &

Newcastle Breweries and Procter & Gamble. Jaclyn Bateman acted as director of marketing and her brother Stuart was head of operations. George died in 2007 from cancer.

Since 1926 the company motto has been "Batemans Good Honest Ales." In 2002 the company opened a visitor center for schools and families, which, as well as being an educational museum, is a good place to sample Batemans beers.

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HJ Sock Group. 1882

The HJ Sock textile group has its roots in Hinckley, Leicestershire, in Eastern England. John Hall worked there as a foreman at a hosiery factory. In 1882 having asked for a loan, Hall decided to create his own business and set up a factory in Stoke Golding, a small village located less than four kilometers from Hinckley. His goal was to manufacture durable warm socks using pure Scottish wool and later sell them to local farms. In the early days the factory employed 16 people, but investment in new machinery and the resulting increase in production capacity made it necessary to increase personnel numbers in addition to enlarging the factory.

In 1913 Frank Hall, the founder's son, joined the business as a partner and the company changed its name to Hall & Son. From the beginning, John Hall had required all his foremen and factory managers to have the fullest knowledge of each and every stage of the production process. His son Frank was no exception; he completed his training at the Leicester Municipal Technical School before joining the family business. The knowledge that the future heir to the business acquired during his training helped him give the business a new push forward, notably increasing its production volume. So much so, that during World War I the company was commissioned to supply British troops with some 36 million pairs of socks. In addition to the British army, Hall & Son also supplied the Belgian, French and Indian armed forces.

When John Hall died in 1923 his son took over the company. During the 1930s, despite economic difficulties in the United Kingdom, the company managed to sustain its turnover. While other textile companies were forced to close down, Hall & Son weathered the crisis with quite acceptable numbers in its domestic and foreign orders.

In 1932 Frank's son Peter joined the family business, having completed his education in accordance with the guidelines established by his grandfather; however, his career in the company was interrupted by World War II. Peter Hall had to join the Royal Air Force and did not return to the United Kingdom until the conflict was over. During this period, as had been the case during World War I, Hall & Son benefited from an increase in the number of orders from the British army. The company's socks were subject to rigorous testing by inspectors, who were responsible for determining whether the clothing items were appropriate for soldiers in combat. Likewise, all manufacturers had to identify their products appropriately. This fact led to the birth of the HJ brand.

In 1949 Frank Hall retired from the business and was substituted by Peter. With the generational handover, the company entered a new stage of its history. Under Peter Hall's guidance, the company intensified its marketing activities; he attended various trade shows and exhibitions and developed new advertising and sponsorship strategies. In 1958 the family company launched its "indestructible socks," one of its most popular products. This innovative product, manufactured in high-resistance nylon, included a 12-month guarantee.

Peter Hall's three sons (Neville, Michael and Timothy) joined the company in the 1960s. During this period, the company acquired a factory in Leicester (A. Wayne & Co.), where they produced two new product ranges: sports socks and Cozy-Toze children's stockings. The Leicester facilities were destroyed in the early 1970s when a fire broke out. As a result, production was transferred to another plant in South Wingston. In 1977 the increasing production volume required a new move. The company relocated to a modern production plant in Hinckley, with much larger facilities, which made it possible to optimize efficiency at each and every production stage.

Peter Hall retired in 1986. Three years later his son acquired his brothers' shares and became the head of the family business. With the fourth generation at the helm the company grew, following the same strategy that had been employed in the past: the development of new products. Thus, within the scope of its traditional market, HJ Sock innovated and launched

new products. In 1989 the company launched the Softop sock, made with natural fibers that minimized the pressure of traditional elastic.

With the new century, HJ Sock began pursuing company acquisitions as a formula for growth. In 2001 it bought Pantherella Ltd., a British sock manufacturer. With this operation HJ Sock became one of the leading companies in the sector. Its leadership was confirmed with the acquisition of Scott Nichol in 2007, a U.K. sock manufacturing company. HJ Sock's recent history has also been characterized by the development of new marketing techniques and a strengthening of the brand image, an aspect that was very important to Peter Hall in the 1950s. HJ Sock sponsored one of the participating teams in the Polar Race 2007. The journey, over 350 miles across the Arctic, confirmed the quality of the ProTrek sock range; the sponsored team was the only one not to suffer from blisters. In 2009 several publicity campaigns featuring high-profile figures were launched, including businessman Peter Jones and the adventurer Ben Fogle. Since 2011, HJ Sock socks have featured the quality approved mark of the British Institute of Podiatry.

HJ Sock is currently one of the main sock manufacturers in the United Kingdom. The company is still owned by the Hall family, with the family's fourth and fifth generation at the helm. Innovation, design and creativity are the three key factors that explain the success and resilience of this family business; in 2012 HJ Sock celebrated 130 years in business.

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Daily Mail and General Trust. 1896

The brothers Alfred and Harold Harmsworth first published the *Daily Mail* newspaper on May 4, 1896. The newspaper's early print runs, initially eight pages long, were issued from small premises on Carmelite Street, London, a short distance from Fleet Street, the hub of British journalism. In 1898 the company moved to Kensington, occupying new offices in Northcliffe House. The Harmsworth brothers edited, produced and supervised the newspaper publication, which started with an initial print run of 100,000 copies.

Alfred Harmsworth's interest in journalism began in his childhood; in school he was already the editor of the school magazine. A pioneer in the field of modern journalism, his goal was to create an innovative and daring newspaper that would present the news in a fresh, simple and interesting manner, and at an affordable price. The newspaper could be purchased for a halfpenny (it was marketed as *a penny newspaper for a halfpenny*), at a time when quality newspapers cost twice as much and were aimed at a very specific readership. Nonetheless, the newspaper's popularity was not based only on its low-cost policy; it was also due to its ability to capture the public's attention. The *Daily Mail* introduced quite a few innovations in this field; it was the first to include pages especially targeted at a female readership and to feature full-page headlines. It also included promotional activities, serials and ample coverage of social issues. Thanks to all these innovations, the newspaper was practically an immediate success. In 1899 the newspaper's circulation had reached 545,000 copies. At that time public interest in the Boer Wars, which the newspaper covered extensively, further boosted sales figures; in 1902 the *Daily Mail* sold over one million copies, thus becoming the best-selling newspaper in the world. In 1902 the

Harmsworth brothers' newspaper published the terms of the Treaty of Vereeniging, which marked the end of the Boer Wars, in a world exclusive, ahead even of the U.K. government announcement.

The *Daily Mail* was also notable for its early internationalization. In 1904 the first foreign edition was created, the *Overseas Daily Mail*, aimed at the population of U.K. expatriates living around the world. One year later the *Continental Daily Mail* appeared, an edition that covered continental Europe and North Africa. At that time, the telegraph was the most common method for communicating the information that would later fill the pages of newspapers in different parts of the world. Over time, the *Daily Mail* would become a pioneer in the use of new communication technologies. For example, in 1962 it was the first newspaper to transmit an article via the Telstar telecommunications satellite. In addition to internationalization, the company also implemented vertical integration and in 1909 established its own paper manufacturing plant in Newfoundland.

In 1905 the Harmsworth brothers founded Associated Newspapers, the first national press company. This initiative made a great contribution to the development of the U.K. press. In recognition, Alfred and Harold Harmsworth were awarded the titles of Baron Northcliffe and Baron Rothermere, respectively. Associated Newspapers is currently known as DMG Media or AN Media and owns an extensive portfolio including *Metro*, *Jobsite*, *Zoopla Property Group*, *Mail Online*, *The Mail on Sunday* (a Sunday edition that has been published since 1982), and the *Daily Mail* itself. It is estimated that DMG Media reaches over 30 million readers annually.

In 1922 in order to manage Associated Newspapers' increasing interests, the Harmsworth brothers created the Daily Mail and General Trust group (DMGT). Ten years later DMGT was listed on the London Stock Exchange. Among the many companies belonging to DMGT, Euromoney Institutional Investor, founded in 1969, is particularly noteworthy. It is a group dedicated to publishing financial and event management magazines.

Alfred Harmsworth died in 1922 and his brother Harold took full control of the company. Upon the death of the latter in 1940, his son Esmond Harmsworth inherited the family business and was appointed chairman of DMGT. Some company milestones during this stage include the creation of

the Scottish edition (*Scottish Daily Mail*) in 1947; the launch of a new format in 1971 (when the broadsheet took a more compact tabloid format), and the publication of its first weekend magazine in 1993.

In 1978 a new generation took over. Vera Harmsworth was appointed company chairperson upon her father's death. Just 10 years later she was replaced by her son, Jonathan Harmsworth, a fourth generation family member.

DMGT is currently divided into five subsidiaries. In addition to the aforementioned AN Media and Euromoney Institutional Investor, the following are part of the group: DMG Events, DMG Information and RMS. DMG Events was constituted in 1980 and currently encompasses different companies dedicated to event organization and business-to-business exhibitions, especially in the energy, interiors, and digital marketing sectors. DMG Information, founded in 1990, is responsible for publishing information regarding the real estate, education and financial sectors. Finally, RMS (Risk Management Solutions) was incorporated into the group in 1998 and its business focuses on developing catastrophe risk models.

In 2012 the DMGT group had revenue valued at £1.96 billion and employed some 11,600 people in over 55 countries. Approximately 54% of its revenue comes from AN Media, followed by 20% from Euromoney.

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Sweden

Bonnier. 1804

The origins of Bonnier publishing group date back to the early 19th century. In 1801 Gutkind Hirschel, of Jewish-German descent, established himself in Denmark as a French teacher. Three years later, having changed his name to Gerard Bonnier, he left his teaching job to found a small publishing house. This was the beginning of the Swedish Bonnier group. The first book it published was a crime story anthology called *Underfulde og sandfærdige kriminalhistorier*.

Albert Bonnier, one of Gerard Bonnier's sons, moved to Sweden and founded a new publishing house in Stockholm: Albert Bonnier Förlag, established in 1837. His talent for business and the quality of the foreign books he imported (thanks in good measure to the discovery of the playwright August Strindberg), helped the publishing house to become highly reputed in a short time. The first opportunity for diversification came in 1864, when Bonnier backed Rudolf Wall and financed the publication of the newspaper *Dagens Nyheter*. Three decades later, thanks to good management on the part of Karl Otto, Albert Bonnier's son, the company came to own the newspaper, which currently has the largest circulation in Sweden.

In the 1920s and 1930s the publishing group continued to widen and diversify its business portfolio. In 1929 the group acquired Åhlén & Åkerlund, the leading magazine publisher in Sweden. This operation marked the beginning of the future magazine division, specialized in specific topics (business, cooking, science, nature and technology) and aimed at a varied readership (housewives, young women and successful professionals).

Despite Sweden's neutrality during World War II, the prevailing political climate forced the company to slow down its growth rate. Nonetheless, in

1944 the company launched a new newspaper, *Expressen*. This newspaper, with a left-wing orientation, was very successful and became one of the top Swedish newspapers.

When the war ended, a new generation took over and the company came under the management of Tor, Ake and Kaj Bonnier. One of their first initiatives, in line with their diversification strategy, was to create a comic book publisher, called SEMIC. They also advanced in the business's vertical integration by founding or acquiring several paper and ink manufacturing companies, as well as graphic design and printing companies.

Up until the 1950s the family emporium had operated three large groups: Albert Bonnier Förlag (book publisher), Åhlén & Åkerlund (magazine publisher) and Dagens Nyheter (newspaper division). In 1952 the Bonnier family decided to consolidate all its business interests under a single umbrella company, called Bonnierföretagen AB, or Bofo. This change caused family tensions, which resulted in the rest of the family purchasing part of Kaj Bonnier's share in Bofo.

Soon afterward, in 1957, Albert Bonnier Jr. (Tor's son) took the position of managing director at Bofo. In the meantime, his brother Lukas took charge of the magazine division and his cousin Gerard became the head of the publishing division. Albert's leadership is key to understanding the period of national and international expansion the company experienced during the 1960s and 1970s. Already positioned as the leading publisher in the Swedish market, from 1950 onwards Bofo decided to promote its international presence. Thus, in 1959 it signed a collaboration agreement with the Danish Fogtdal press group, and a decade later it acquired a 49% share in the Danish publishing group Forlaget Borsen. Bofo also bought the French publisher Editions La Croix in 1976, and the name was changed to Bonnier Publications. However, the most important event for the expansion of their media empire took place in 1973 with the purchase of Svensk Filmindustrie, a leading film and TV production company, later to become the largest film company in Sweden.

Under Albert Bonnier's management the company also embarked on a diversification process that was unrelated to its core business. The new business activities that Bofo embarked on during the 1960s and 1970s

included furniture manufacturing, engineering, medical equipment manufacturing, and other industrial activities.

In the late 1970s changes in Sweden's tax regulations required the group to seek foreign capital, and in 1977 Bofo brought together three of its industrial companies and listed them on the stock exchange under the name Grafoprint. Nonetheless, Bofo's industrial activities were becoming a burden on the rest of its business activities, mainly on its core business: the publishing and communications sector. The effects of this were such that the company was unable to carry out the necessary capital investments to expand its business. As a result, in the late 1980s Bofo was forced to sell or abandon most of its non-media-related assets. The Danish press group Dagens Nyheter had also gone public on the stock exchange and was renamed Tidnings AB Marieberg.

Abandoning any unrelated diversification strategy, Bofo expanded exclusively within the media sector in the final years of the 20th century. Internationally, the principal operations carried out by the group included: the acquisition of several foreign publishing houses, including Norwegian publisher Cappelans (1987), German publisher Piper (1994) and Finnish publisher Kirjakanava (1996); the creation of a joint venture with German company Hoppenstedt in order to create Hoppenstedt Bonnier publishing house, specializing in financial information; the acquisition of the newspaper *Sydsvenska Dagbladet*; and the foundation of the Austrian financial newspaper *Wirtschaftsblatt*.

As well as expanding internationally, Bofo also grew in its domestic market, becoming the leading communications group in Sweden. Aside from acquiring local publishers, the key event of this period was the group's entry into the television sector via its share in TV4 (a Swedish pay channel), which it increased gradually until Bofo had obtained full ownership. In addition, in 1997 the group took full control of the Marieberg group. Bofo restructured into a holding company, which changed its name to Bonnier AB a year later.

In the early 21st century Bonnier continued to expand and acquired SF Bio, a Norwegian film producer, and Hoppenstedt, a German publishing group. Internationalization also led it to create a financial press division in

Scotland. In 2001 it bought shares in Forlaget Benjamin, with head offices in Denmark, and acquired the German company Verlag Thienemann. The deregulation of the European media sector enabled Bonnier to acquire several Finnish television channels in 2005.

A year later it entered the U.S. market; Bonnier became the partial owner of World Publications, a specialist magazine publisher. In 2007, having acquired Time4Media and The Parenting Group, the company created a U.S. subsidiary, Bonnier Corporation, which currently holds a total of 49 magazines, a film production company and several websites.

Bonnier is currently a conglomerate that encompasses a total of 200 companies and is present in over 20 countries. Its operations are divided into five main areas of activity: business publications, newspapers, books, magazines and entertainment. The group, currently managed by Jonas Bonnier, is owned in full by 73 family members, ranging from the fifth to the eighth generation. In 2012 Bonnier group's net sales were 29.17 billion Swedish kronor, 56% of which was generated in Sweden.

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Switzerland

Lombard Odier & Cie. 1796

The accumulation of capital in Geneva in the mid-18th century due to the rise of the textile and watch industries brought with it many new banks. The consequent increase in the demand for specialized banking services led Henri Hentsch to found a company dedicated to the silk trade and intermediary services in 1796. Thus began Lombard Odier & Cie, the oldest bank in Geneva and one of the largest in Switzerland.

Two years later, Hentsch partnered with his second cousin Jean Gédéon Lombard and created the bank Henri Hentsch & Lombard. The new company's main activity was to carry out the transactions derived from the great variety of currencies used; the profit margin was generated from the currency exchange.

The Napoleonic invasion of 1792 did not destroy the business, although it gradually changed its orientation to one that focused on asset management and advisory services. A few years later, the bank began including financing for the growing mining industry among its activities.

Following the end of the French occupation, Geneva was annexed to Switzerland and experienced a period of growth and economic stability. The second Lombard generation joined the firm at this time, namely Jean-Eloi, who was responsible for the bank's internal development and directed the bank for the next 40 years. His brother Alexander researched new forms of expansion and was responsible for its internationalization; he was particularly helpful in discovering the potential of the U.S. market.

Henri Hentsch had settled in Paris, and his two sons – Charles and Albert – carried on their father's work. A new partner, Charles Odier, also joined the firm. It was Odier who began the search for financing opportunities in

maritime, river and rail transportation. The venture was successful, and in 1880 the bank started financing the Swiss railway network.

In the mid-19th century the business was taken over by Alexis Lombard and James Odier, whose innovative character was key in the firm's expansion and growing prestige. In 1857 the Lombards and the Odiers helped found the Geneva stock exchange, and in the following century they collaborated in the establishment of the Swiss Electronic Exchange. The Geneva stock exchange was the first in Switzerland; the Zürich stock exchange would not be created until 20 years later. They also contributed with their expertise to the foundation in 1907 of the Swiss National Bank.

In the second half of the 19th century the firm diversified its activity and was a pioneer in venturing into other sectors. In 1872 James Odier and Jules Darier Rey founded La Genevoise, the first local life insurance company. This formed the basis for the first company pension fund for its employees, which was established in 1910, 15 years before the Swiss government instituted a national social security system.

In the years prior to World War I, Emile and Edmond Odier, as well as Jean and Albert Lombard, worked at strengthening the group's structure. Despite Switzerland's neutrality during the war, the business had to face the trading restrictions imposed on the parties at war, as well as the economic crisis following the Wall Street Crash of 1929. All of this affected the bank considerably, as its activity progressively slowed down during the inter-war period.

Following the end of World War II, the Swiss financial sector benefited from European reconstruction, which brought about an important increase in the demand for capital. This favored the expansion of the firm, which was in a strengthened position thanks to the many innovations introduced. Thus it became the first private bank to open a branch office abroad. Marcel Odier was responsible for this initiative, opening a new office in Montreal in 1951. During the 1950s the bank pioneered the introduction of investment funds, which were distributed throughout Europe.

Twenty years later, Lombard Odier created a department dedicated to institutional investors and became the first European bank to be listed on the New York Stock Exchange. In the years that followed, the bank continually

implemented new ideas, most noteworthy among them being the creation of the first specialized financial services.

With the arrival of the 21st century the bank adopted a new name: Lombard Odier Darier Hentsch & Cie. It is the oldest banking firm in Geneva and is currently present in over 17 countries throughout America, Europe, the Middle East and the Far East.

The families who own the group range from the sixth to the eighth generation of the original Lombard and Odier families, and they have maintained their independence in managing the group. They share the common values of responsibility, long-term commitment and the search for excellence.

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Le Petit-Fils de L.-U. Chopard & Cie. 1860

The origins of the Swiss watchmaking company Chopard date back to 1860, the year Louis-Ulysse Chopard founded a high-precision watchmaker's workshop in the small village of Sonvilier (in the Bernese Canton of Jura). On the advice of his father, the young Chopard had applied himself to learning watchmaking; however, unlike his predecessors, he had other ambitions. Louis-Ulysse Chopard did not want to work for other companies manufacturing or repairing watches. Instead, he wanted to create his own business and give the treasured pieces his own seal: the Chopard brand. The first watches made by Chopard were notable for their quality and precision. Thus, the emerging business acquired a solid reputation that would help Chopard extend the sale of his pieces throughout Eastern Europe.

The brand's expansion enabled Paul Louis Chopard, the founder's son, to open a branch in 1921 in La Chaux-de-Fonds, a city renowned for its watchmaking tradition. Shortly afterward he moved the company headquarters there, until 1937 when it relocated to the center of Geneva, the capital of fine watchmaking.

The third family generation entered the business in 1943, when Paul André Chopard, the founder's grandson, took over company management. Twenty years later, given his offspring's lack of interest in maintaining the family legacy, Paul André launched the search for a buyer who would be capable of preserving the brand's tradition. In 1963, following a brief meeting with Karl Scheufele (the descendant of a long line of jewelers and watchmakers from Pforzheim, Germany), he decided to sell

the family business. Scheufele owned a firm under his own name, founded in 1904, which manufactured watches and jewelry for the Eszeha brand. Following the change in ownership, and with the new impetus of the Scheufele family, Chopard experienced spectacular growth. Renowned for its creativity, its state-of-the-art technology and the excellence of its craftsmen, it became one of the leading names in the luxury watch and jewelry industry.

In 1974 the Scheufele family moved Chopard's headquarters to the town of Meyrin, located on the outskirts of Geneva. Years later, they enlarged the Pforzheim factory and focused all their efforts on increasing production and launching new collections, a move that would prove highly successful. Some notable innovations include their first watch collection designed for women and the Happy Diamonds watch, whose dial enclosed small, unset diamonds moving freely between two sapphire watch crystals. The Happy Diamonds collection was later extended to include rings, pendants and bracelets. Likewise, the firm's first sports watch, made with a leather strap, was launched in 1980.

In the 1980s the Chopard stores were created as official and exclusive brand distributors. The first store was opened in Hong Kong in 1983. Three years later the first European store followed, located in Geneva. There are currently over 100 Chopard stores throughout the world.

Over the last 20 years of the 20th century, Chopard participated in several partnerships and sponsorships, which brought its popularity to new heights. In 1988 it began sponsoring Mille Miglia, an Italian vintage car rally, and it has sponsored the Cannes Film Festival since 1998.

In 1996 Chopard built a new factory in the Swiss town of Fleurier, which was called Chopard Manufacture. The opening of this plant was a milestone in the company's history, as it meant a return to artisan watch manufacturing following a completely manual process, in line with the watchmaking tradition. With the creation of the new plant, Chopard sought to design its own watch mechanism, which it called L.U.C. movement, in honor of their founder, Louis-Ulysse Chopard. The first watch to incorporate the L.U.C. mechanism was launched a year later and was chosen as watch of the year by the Swiss magazine *Montres Passion*.

Chopard has continued to introduce modifications and improvements to this mechanism in order to guarantee maximum precision and quality.

Today, Chopard is one of the leading watchmaking and jewelry firms in the world, and is present in over 90 countries. Constant innovation, commitment to quality and tradition, and exclusive designs are the key factors for understanding Chopard's longevity, its scale and the prestige the company currently enjoys. Chopard has remained in the hands of the Scheufele family. Karl Scheufele and his wife Karin, architects of Chopard's international expansion, are still actively involved in the company, and their daughter Caroline and son Karl-Friedrich are the current co-presidents. The former is responsible for the women's collection and fine jewelry, while her brother manages the men's collection and the Fleurier factory.

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Victorinox. 1884

The founder of Victorinox, Karl Elsener (1860–1918), has gone down in history as the famous inventor of the Swiss Army knife. The son of a hatmaker, he trained for years as an apprentice in France and Germany in the manufacture of knives, surgical instruments and razor blades. However, it was not until 1884 that he was able to put his knowledge into practice independently in his native country; Victorinox was born when Karl Elsener, in partnership with his mother, opened a flatware store in Ibach, Canton of Schwyz. A few years later the company had become a knife supplier to the Swiss Army.

In order to compete with the knives produced by the emerging Swiss industry, Karl designed a new type of knife that revolutionized the sector. It was a compact tool that incorporated different functions, among them a small blade that was useful for scraping parchment to remove errors, and a bottle opener. In 1897 Karl patented this design, which was named the Original Swiss Army Knife.

Two decades later the company adopted the Swiss white cross as its emblem in order to differentiate itself from the competition, which also used the traditional red color for their knives. In 1909 Karl's mother died and he named the company Victoria in her honor. Ten years later, the development of stainless steel (also known as "inox" for short) led to the company changing its name to Victorinox. The final name change occurred in 1976 when the company became Victorinox AG.

Innovation and sustainability have characterized the company from the start. This is apparent not only in the adoption of stainless steel as the material for its knives, but also in many other innovations that resulted in

the acquisition of patents to add new knife functions, such as can openers and scissors.

Following the end of World War II, U.S. Army stores began selling Victorinox knives and the company's international expansion began. Shortly afterward, German soldiers were also equipped with the tool. The company's internationalization was later consolidated with the opening of its first sales branch in Japan. In the following years, other subsidiaries were opened in Mexico, Brazil, Poland, Hong Kong, Vietnam, Chile, India and Canada. The increase in production arising from its international expansion made it necessary to increase factory size. An extension was built in 1969 and in 1984 the total area of the head offices and the production plant was doubled.

In the late 1980s the company started to diversify its product portfolio. After the emblematic Swiss Army knife, the first product to be launched was the Swiss Army watch range in the United States in 1989. A decade later Victorinox Watch, S.A., was founded, grouping the firm's watch-making segment. That same year the company ventured into the travel accessory segment with the U.S. firm TRG Group. The travel gear line is currently one of the five segments under which Victorinox's production is structured. Another company division was created in 2001 with the launch of a clothing line. The Swiss emporium's diversification did not end there; the company also acquired the Swiss Army Fragrance brand in 2003, which has been part of the Victorinox Swiss Army Fragrance AG subsidiary since 2007.

The group welcomed the new century with the opening of its flagship stores: the Victorinox stores. Of these stores, three are still operational: New York (2001), London (2008) and Geneva (2009). Other operations carried out by the company during that period include its acquisitions of Swiss Army Brands Inc., its distribution partner in the United States, in 2002; the U.S. firm Wenger NA in 2003; and the Swiss company Wenger, S.A., one of its main competitors.

Victorinox continues to be a family-owned company and has maintained its independence; 15% of its share capital belongs to the non-profit foundation Carl and Elise Elsener-Gut, and the remaining stock belongs to various Victorinox foundations, created with the aim of guaranteeing jobs

and financial independence in the long term. The company is managed by Carl Elsener Jr., a member of the Elsener family's fourth generation. Victorinox has received numerous awards for its innovation in logistics and protection of the environment. The company is organized in five business divisions: knives and flatware, perfumes, fashion, watches, and luggage. It manufactures about 28,000 Swiss Army knives daily, 90% of which are exported. In 2009 Victorinox employed approximately 1,800 people worldwide, with a turnover of 500 million Swiss francs. Its products are distributed in over 120 countries.

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Roche. 1896

In 1894 the banker Fritz Hoffman-La Roche and the chemist Max Car Traub jointly acquired a small chemical products and pharmaceutical preparations factory called Bohny, Hollinger & Cie., located in Basel. The new company, called Hoffmann, Traub & Co., dissolved two years later when Fritz Hoffmann acquired his partner's shares and founded F. Hoffmann-La Roche & Co.

From the beginning, the company demonstrated a strong commitment to innovation and worked extensively to market the medicines it manufactured to international clients. In fact, Fritz Hoffman's extraordinary talent for marketing greatly facilitated the export of his products at an early stage, as well as the opening of branches in Italy and Germany. All medicines were marketed with the Roche brand and were sold packaged in standardized doses.

Carl Schaerges, the company's head of research, authored the first scientific publications and registered a patent for Aiodin, one of the first medications developed by Roche, in 1896. That same year another medicine was also marketed, Airol antiseptic, a product that was aimed exclusively at the German market. However, it was not until 1898 that the company was able to develop a truly successful product: a non-prescription orange flavored cough mixture called Sirolin. Sirolin exceeded all expectations and was an immediate success. The cough mixture remained on the market for over 60 years. Roche experienced intense growth in the early years of the 20th century, in which research played a key role. As a result of numerous collaborations with academics and researchers, Roche launched highly innovative new medications, which became bestsellers. At the same time, with the collaboration of the company's new partner Carl Meerwein, Roche

created an extensive network of agents and subsidiaries throughout Europe and other continents, and it opened offices in Milan, New York, Saint Petersburg and London.

The outbreak of World War I and, above all, the loss of the Russian market due to the 1917 revolution brought Roche into a difficult financial crisis. The company was on the verge of bankruptcy in 1919 and ended up changing its status to that of a limited liability company with financial backing from Basler Handelsbank.

Following the death of Fritz Hoffmann in 1920, Dr. Emil Christoph Barrel, who had worked at the company as a chemist since its foundation, took over the company management. In this new stage, Roche's growth rates recovered to prewar levels once again and it notably expanded its product range. Most noteworthy among them were the first synthetic products (such as Allonal analgesic) and vitamins. The latter became the cornerstone that sustained the company's growth over the following years, with high-profile brands like Redoxon or Benerva.

On the brink of World War II, Roche owned subsidiaries in 35 countries and had a workforce of over 1,800 employees. At this point, the pharmaceutical company divided into two corporations in order to ensure its future in the face of looming war: F. Hoffman-La Roche in continental Europe and Sapiac Inc., which gathered the remaining regions and had its headquarters in Uruguay. The groups did not reunite until 1989, under the new umbrella company Roche Holding Ltd.

At the same time, the company moved a great number of European scientists to the United States, where they could continue their research. From there, Dr. Barrel continued to lead the company and transferred its headquarters to Lausanne, which was considered to be a safer city. Although the war fueled an increase in the demand for medicine, the rise in tax rates and the restrictions on imports put considerable limitations on the business's development. Additionally, many of the group's subsidiaries had made attempts to split off from the parent company.

When World War II ended and a stop was put to the attempts at division, the company was able to recover normality. Dr. Barrel returned to Switzerland and, with him, the company once again excelled in its scientific

activity. Roche launched new medications and took some steps towards business diversification with the acquisition of Pantene AG, a subsidiary specialized in hair care products. This company was sold in 1982.

Emil Christoph Barrel died in 1953 and Dr. Albert Caflisch took his place at the head of the company. Caflisch continued Roche's internationalization and increased the autonomy of the group's subsidiaries. The research department also intensified and diversified its activity. In the late 1950s the Roche product portfolio included the following: antidepressants, anti-inflammatory and cardiovascular drugs, antimicrobial agents and chemotherapy products. At the same time Roche acquired companies like the Swiss Givaudan and the French Roure Bertrand Dupont, both perfume makers.

In 1965 Dr. Caflisch ceded his position as chairman of the Board of Directors to Dr. Adolf Walter Jann. Under the leadership of Dr. Jann, Roche embarked on a far-reaching diversification program, which resulted in the acquisition of several companies and the foundation of several research centers, such as the Roche Institute for Molecular Biology and the Basel Institute for Immunology. During this time, Roche's research focused on the fields of biotechnology and diagnostics; as a result, the group developed new medicines and created several laboratories dedicated to performing clinical analyses.

In 1978 Fritz Gerber substituted Dr. Jann as the company chairman. This was the start of a difficult period for Roche. In addition to the difficult economic situation, numerous patents were on the verge of expiring, compounded by several scandals, such as the explosion of a reactor in 1976. In the face of these challenging times, Gerber decided to focus his program on consolidating those business segments with the greatest potential for innovation, growth and profit. Consequently, the company sold several subsidiaries – mainly those dedicated to manufacturing vitamins, perfumes and cosmetics – and focused on its core business: pharmaceutical products. As well as launching new medications, most noteworthy among them being drugs for the treatment of cancer and HIV, Roche made important developments in the field of diagnostics, leading the company to a global leadership position in that field. With the acquisition in 1991 of Nicholas, a generic

medicine manufacturer, Roche also reinforced its non-prescription product portfolio, a sector of increasing importance given society's growing tendency to self-medicate. Subsequently, Nicholas was integrated as part of the company's non-prescription medicine business, forming Roche Consumer Health. During that period, the pharmaceutical group continued to strengthen its presence in international markets, especially the United States, with the purchase of the Syntex Corporation pharmaceutical group in 1994.

Fritz Gerber stepped down from his position in 2001 and was succeeded by Dr. Franz B. Humer, who currently manages the company. Under Dr. Humer's leadership the company has maintained its extraordinary rate of growth and has completed new acquisitions to reinforce its presence in emerging markets such as Japan and China. In 2004 Roche opened an R&D center in Shanghai, which supported and fostered the research already being carried out by the group's subsidiaries.

Currently, the company's activity remains focused on pharmaceutical products and diagnostic medicine, and it is one of the most innovative and high-profile companies in the sector. Roche is also in a solid position to begin developing new alternative treatments based on more personalized medicine. Roche operates in over 150 countries, where it owns 18 research centers and 26 production plants. The company operates two divisions: pharmaceutical products (60% of which is dedicated to oncology medicine); and diagnostics. In 2012 Roche's revenue was valued at 45.5 billion Swiss francs, and it earned profits of 17.16 billion Swiss francs. In that same year it invested 8.48 billion Swiss francs in R&D and employed 82,089 people.

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Epilogue: A Brief Reflection

This book aims to offer a different view of European industrialization from the family business perspective. What were the contributions of family businesses during those times of accelerated growth? Which strategies helped them adapt successfully to change? These are most certainly ambitious questions that cannot be answered in their entirety in the present volume. However, a careful reading of the business ventures that we have compiled in these pages can serve as the foundation for an initial reflection on these issues, which are as complex as they are fascinating.

If one characteristic stands out in family businesses, it is their conservatism – in a strictly semantic interpretation of the concept, i.e., as the desire to preserve the business for the next generation. Such desire necessarily demands a long-term vision (James, 1999). This way, the creation of wealth in family businesses is conceived as a legacy that allows society to be transformed from one generation to the next (Tàpies, 2009: p. 18). Oddly, some scholars have given the word “conservative” a pejorative connotation that implies risk aversion and lower inclination for innovative behavior. Used with said connotation, conservatism would then be tantamount to business suicide. However, the causal link between family businesses and an institution that is conservative – in the negative sense – does not always apply. While this may be the case when failure strikes, conservatism in successful cases stands for longevity, which is impossible to achieve without innovation. In other words, businesses that have been around for more than a century must be doing something beyond merely enduring. One hundred years cannot be explained without innovation and the risk it involves.

Looking at it from this vantage point, the desire to preserve the family business becomes a powerful engine driving innovation.

In this book, we propose a shift in perspective that posits a certain causal link between longevity and innovation: family businesses become long-lasting because they innovate. This can help us get a feel for the answer to our first question. What contributions have family businesses specifically made to industrialization? They have provided the spirit of conservation, which is such a powerful force that it has encouraged and enhanced innovation. In turn, said innovation has supported and promoted industrialization.

How have long-lasting family companies managed to survive this process of change? What strategies have enabled them to last over a century? As can be seen in the 100 stories described in this book, long-lasting family companies have tackled industrialization using a dynamic process of innovation: embodying the traditional sense of the term “innovation” as described by Schumpeter (1934), its definition as an active process established by Utterback and Abernathy (1975), Utterback and Suárez (1993), Utterback (1994) and Afuah and Bahram (1995), and its extension far beyond the purely technological realm. Family businesses have, this way, innovated and spurred change, sometimes disruptive and often gradual, over the course of years and even more than a century.

To introduce the analysis of the growth strategies used by long-lasting family businesses, which are so often innovative, we will use the classic matrix by Igor Ansoff (1918–2002). In a 1957 *Harvard Business Review* article titled “Strategies for Diversification,” the famous Russian-American engineer and mathematician proposed the model we share in Chart 1. The Ansoff matrix has four basic growth strategies based on contrasting existing or new products or services with existing or new markets. With the division between existing and new products, Ansoff sought to distinguish between the products that a company can develop because it has the full knowledge to do so and the products that would force it to undergo an intense process of learning, research, development and innovation. The division of markets differentiates between customers whose needs, expectations and buying behaviors we know and those customers who are unknown. If entering a new market where its customers behave identically to existing customers,

this would not be market development but simply market penetration. Market development always requires prior research and the adaptation and/or modification of supply, to a greater or lesser extent. In his model, Ansoff also established an order of priority among the four strategies: first, penetration; second, market development; third, product development; and, finally, diversification. In his opinion, not following said order would lead to a higher chance of failure.

Chart 1: Ansoff's conceptual framework (1957).

	Existing product	New product
Existing market/mission	Penetration	Product development
New market/mission	Market development	Diversification

Source: Ansoff (1965): p. 128.

Therefore, the model's first alternative for growth is penetration, which involves expanding a company's share in the market where it already operates. It involves no changes in the characteristics of the product or service, but a greater marketing effort instead.

The second growth alternative is market development, which consists of taking an existing product to new markets. These markets may be international or different segments of home markets.

The third option considered by Ansoff is product development, which means modifying or adapting the supply so that potential customers reconsider their position on it. In other words, it means growth in the same market but with a new product or service.

Finally, the diversification option involves introducing a new product in a new market.

In each of the four growth strategies described by Ansoff, one or more types of innovation – as defined in the Oslo Manual (2005) – may be found: product innovation (when new goods or services are introduced or existing ones are significantly improved); process innovation; new marketing methods; and new organizational methods in the external practices of companies, workplace organization or external relations.

Thus, marketing and even organizational innovations will often be

visible in the penetration and market development stages. Product innovation is the key to successfully implementing the Ansoff strategies involving new goods and services – in other words, the ones falling under the product development and diversification categories. Said product innovation is frequently implemented alongside commercial, process, and organizational innovations.

Several examples that will aid comprehension of the abovementioned theoretical classifications can be found below. These instances also shed light on the types of innovation and growth strategies that helped many family companies become long-standing. Most family businesses have – quite obviously – combined the different available strategies and innovation categories. Therefore, we will only point out their most outstanding aspects by putting in historical context the innovations that let them survive and contribute to industrialization-caused changes. In any case, we are driven by the desire to introduce our readers to the enormous amount of food for thought symbolized by such long-lived family companies. Getting people acquainted with such material will undoubtedly be our greatest contribution.

The Brewers: Heineken, Ottakringer Brauerei and Mahou

Beer is a very ancient drink, and the earliest evidence of its production dates back almost five millennia. Its advent is even considered by some to be closely associated with that of bread. Since Romanization, when the Mediterranean basin gained ground as a wine-producing area, beer production was concentrated in Central and Northern Europe and took on the form we know today, with malt as an essential ingredient and hops as flavoring agent and key preservative. The Middle Ages were a golden period for beer: it spread and became popular – particularly in Northern Europe – thanks to monastic expansion. Like so many basic and traditional products,

beer also lived through and survived industrialization, which radically transformed how it was produced and, later on, how it was packaged, distributed and sold. Beer initially became industrialized in the late 19th century. The artificial cultivation of yeast, which was achieved at the beginning of the 20th century, was essential for the industrial development of the sector. In the late 19th century, there were also notable advances in understanding the mechanisms through which hops provide smells and flavors. At that time, there were three main beer-making centers, each with its own particular style: Burton-upon-Trent in Britain, Munich in Germany and Pilsen in Bohemia. Beer consumption increased in the 19th century due to the phylloxera-caused wine shortage, which devastated Europe's vineyards and paved the way for the commercial takeoff of its replacement.

Considering the abovementioned facts, it should come as no surprise that three of the family businesses portrayed in these pages are, indeed, brewers. All of them are outstanding examples of how a relatively simple, ancient product has conquered markets inside and outside its owners' borders. Following Ansoff's model, the brewers are outstanding cases of market penetration and development. Heineken is the largest of the three highlighted in these pages. It has more than 165 factories all over the world and exports to more than 170 countries. As with other breweries, its expansion has been based on hard work to create brands (more than 250 of them), outstanding marketing and an ever-present hunger for growth. Unions and mergers with other brands have enabled it to gain markets near and far. For instance, in Spain it acquired the local brands El Águila and, later on, Cruzcampo.

Ottakringer Brauerei and Mahou are cases of penetration, in which both companies gradually carved a niche for themselves in nearby markets until they became absolute benchmarks within the borders of Austria and Spain, respectively. Mahou did it by importing German technology, which enabled it to modernize its production in the late 1920s. This is common in countries that industrialized late, as they often resorted to importing technology as a pathway to growth and transformation. During the 1980s, the company tried to increase its market penetration in two ways: by strengthening its advertising strategy and improving the sales conditions for

customers and distributors. This was joined by growth through acquisition: first of San Miguel and later of Cervezas Anaga and the Granada-based company Cervezas Alhambra. Since 2005, trading as the Mahou-San Miguel Group, it has become the leading Spanish-owned brewing company.

Clarks

As far as traditional sectors go, shoe manufacturing is a prime example. Its existence dates back thousands of years and yet it was amongst the first industries to jump on the industrialization bandwagon. If any one country played a leading role in modernizing this industry, it was the United Kingdom. Indeed, in the Midlands, there was a real revolution in treating tanned leather and mechanizing the tanning process used to make shoes. Considering the pioneering role of Britain in this sector, observing the development of such a relevant footwear family business as Clarks is extremely interesting. Since its inception, Clarks advocated a strategy of growth by having a unique product. When the company was founded in 1825, it started out creating a different kind of shoe – slippers – from the skins that Clarks tanned and, less than 20 years later, it was producing more than a thousand pairs a month. The Clark family modernized the manufacturing process, first by adding sewing machines and later by incorporating all the technology needed. Clarks' most consistent feature has been, however, product innovation: from its celebrated "hygienic" range – the first shape-matching shoe ever produced, which was a worldwide success – to its "desert boots" – another commercial hit produced from the 1950s (inspired by the comfortable boots worn by British officials stationed in Egypt). Clarks paired this strategy with a keen ability to penetrate new markets. Initially, said expansion was not as much a geographical one as a discovery of new sectors: for instance, noticing that the shortening of female skirts – which left shoes in plain sight – or producing children's footwear created huge new market segments.

Faber-Castell

Another interesting example of a product-based growth strategy is Faber-Castell, the world's largest manufacturer of wooden pencils. How can one innovate when selling pencils? The beginnings of the business in the 18th century could not have been more traditional: a Nuremberg-based carpenter made pencils in his spare time. Scholars of German industrialization often stress the importance of outside influences in the development of a country that did not exist as such until 1870. French institutional influence and English competition were crucial and, in fact, can be glimpsed in the backstory of Faber-Castell. When the third generation of the family took control of the business in 1809, competition from English pencils, which were higher quality thanks to the exceptional characteristics of Cumberland graphite, seriously threatened the German manufacturer's survival.

Despite the difficulties caused by competition, Georg Leonhard (1788–1839) sent his sons Lothar and Johann abroad. The innovative ideas they learned there allowed them to not only lay the foundations of subsequent growth, but also to abandon the traditional pencil manufacturing system they had been using until then. History was on the family's side: the creation of the Zollverein, the customs union, expanded the domestic market and opened access to foreign ones. Yet, neither the market nor technical updates by themselves would have been enough to ensure the success of those manufacturers of writing implements. In addition to the aforementioned factors, the family also invented the quality pencil, the luxury pencil, the brand pencil – with a brand embossed, for the first time, on a premium-quality, wooden-colored pencil. Turning pencils into luxury goods was a brilliant product development strategy that even today allows the company to lead a huge market with a seemingly simple product.

Cargill

Among the numerous examples of diversification outlined on these pages, Cargill is also a relevant mention. Throughout its history, the U.S. food giant has understood how to achieve constant product and market reorientation. William Wallace Cargill's company began in the mid-19th century as a wheat producer that specialized in its processing. Those were the years when the United States was beginning its industrialization process. It is well known that U.S. industrialization had an agrarian base fuelled by abundant natural resources, which explains why it continued to be a predominantly rural country in the 19th century despite having become the leading industrial nation (Cameron and Neal, 2010: 257).

U.S. agriculture was characterized by a permanent labor shortage, which resulted in an interest in mechanizing farm work. This explains Cargill's vertical integration process in farming. Such process involved a considerable mechanization effort including grain elevators, livestock, flour milling, coal, insurance, timber and railways. Close to a century later, the process of growth via vertical integration, production mechanization, and wheat processing seemed to have come to an end. A decrease in international trade and the closure of certain markets only made matters worse and lowered the sales of standard products. Yet, Cargill managed to reinvent itself through new sectors and products such as soybean, seeds and vegetable oil processing. The four areas that make up the business today – food, agriculture, financial services and industry – give an idea of the creative ability of the company, the expansion of which has been nothing short of astonishing. Cargill operates in no fewer than 65 countries.

Haniel, Wendel and Falck

In a book seeking to link industrialization and family business, we could not fail to mention the “Lords of Steel”: Haniel, Wendel and Falck, three European family businesses that created great steel empires on the continent – as masterfully depicted by Harold James (2009). It is difficult to add anything to James’ insightful account. As he recalls in his book, all three companies started out in the steel business and survived through an effective diversification process when they had to deal with the effects of the end of World War II in the second half of the 20th century. The truth is that the history of these three family dynasties runs parallel to the history of European industrialization and, when viewed from such a perspective, certain features become more noticeable.

This is particularly so in the case of the Falck family. The very innovative Giorgio Enrico Falck set up the first Martin-Siemens furnace and other technical improvements in 1908. These allowed scrap-melting in substitution of iron casting, which not only boosted the business but also provided self-sufficiency in the obtention of raw materials and lowered production costs. The Falck family company was also noted for pioneering the use of new energy sources. Building hydroelectric plants allowed them to resolve the main constraint faced by the iron and steel industry: the dependence on imported coking coal. Both strategies – the use of scrap and hydraulic energy – were especially successful during World War I: while Falck benefited from the increased demand for metallurgical products, the Italian iron and steel industry as a whole found itself forced to curtail production due to the shortage of raw materials. In the same way the Falcks managed to innovate in the early 20th century, so did they barely 100 years later: the family “reinvented” itself and tackled the inevitable restructuring it had been forced into by competition. As a result, the company gradually abandoned its core business and invested in renewable energies. In 1996 it changed its name to Falck S.p.A. and, through its subsidiary Sondel – specialized in hydroelectric power generation – it invested heavily in building new plants to generate solar, wind and biomass energy. The restructuring of the

business was a complete success, so Falck's story is an excellent case for exploring the history of industrialization when it comes to raw materials and energy sources: from iron casting to the melting of scrap and from hydraulic to renewable energy.

The Haniel family from Germany and the Wendel family from France have followed their own paths to survival linked to a strategy of internationalization, professionalization and diversification. All three companies' ability to hire entrepreneurial talent is a constant feature that indicates an interesting growth strategy when the family does not have the business skills that allow the company to be preserved.

History and Business Administration

In this book we have tried to bring management and history a little closer together. Management scholars usually come across two difficulties in their work which can largely be remedied by historical perspective. Firstly, a considerable amount of research is static in nature: it looks into specific issues in isolation and fails to take into account their specific time frame and geographic background. Contrary to the focus of said studies, reality is both ever-changing and deeply influenced by time-space coordinates. The second problem stems from the academy permanently creating models to get a better abstract of reality in order to devise theories applicable to the real world. In this sense, we should recall that history is the only real macroeconomic model and, therefore, an excellent empirical field to extract theories from. Historical studies, thus, become powerful aids for analyzing dynamic concepts that may require a long-term perspective. As a long-term dynamic phenomenon, industrialization can be considered from the perspective of the family business, and both disciplines – business administration and economic history – will clearly benefit from such a viewpoint.

Sometimes history is also an effective weapon for counteracting clichés. King Philip V created the Royal Academy of History in 1738 with the aim of clarifying "[...] the important truth of events, banishing myths introduced

through ignorance or malice, leading to knowledge of many things obscured by antiquity or buried by neglect.” We have tried to do a bit of all this in these pages. One of the “myths” introduced by ignorance is the idea that the family business is conservative by nature and that this is a negative trait. Such a concept denotes ignorance in its definition of the word “conservative.” Family businesses are, indeed, conservative if we apply the first definition in the *Collins American English Dictionary*: “conserving or tending to conserve; preservative” – that is, one who maintains something or takes care of its continuity. However, as we have noted above, its second meaning is not so applicable – the meaning that applies to individuals, political parties, governments, etc., to describe them as “tending to preserve established traditions or institutions and to resist or oppose any changes in these.”

Throughout these pages, we have seen companies that not only did not shy away from radical change in their activities, but promoted and played a leading role in it. From this perspective, we consider that whoever refers to family businesses as conservative in a derogatory manner might be mistaking boldness for recklessness – and might, therefore, consider caution in decision making as a vice rather than a virtue. Long-lasting family companies have undoubtedly been conservative, since they have preserved their businesses for hundreds of years. The only way to achieve such a feat is through a range of growth strategies in which innovation – of product, process, marketing or organization – has been a constant.

“How can you know where you’re going if you don’t know where you’ve been?” asked Alfred Chandler, Harvard University’s famous business history professor. Seaman and Smith (2012) quoted him in an article titled, not coincidentally, “Your Company’s History as a Leadership Tool.” Said authors added that managers lacking the patience to learn about their history forget an essential truth: deep knowledge of the past is one of the most powerful tools for shaping the future.

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